

**ECKERT
SEAMANS**
ATTORNEYS AT LAW

Eckert Seamans Cherin & Mellott, LLC
213 Market Street
8th Floor
Harrisburg, PA 17101

TEL 717 237 6000
FAX 717 237 6019
www.eckertseamans.com

Jeffrey J. Norton
717.237.7192
215.523.781
jnorton@eckertseamans.com

January 14, 2013

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Bldg., 2nd Fl.
400 North Street
Harrisburg, PA 17105-3265

RE: Petition of PPL Electric Utilities Corporation for Approval of its Act 129 Phase II
Energy Efficiency and Conservation Plan; Docket No. M-2012-2334388

Dear Secretary Chiavetta:

Enclosed for electronic filing are Comverge, Inc.'s Petition for Admission *Nunc Pro Tunc* of Direct Testimony in the above-referenced matter. Copies have been served in accordance with the attached Certificate of Service.

Very truly yours,



Jeffrey J. Norton

JJN/jls
Enclosure

cc: Hon. Dennis J. Buckley (w/enc)
Certificate of Service (w/enc)

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA EMAIL AND/OR FIRST CLASS MAIL

Paul E. Russell, Esquire
PPL Services Corporation
Two North Ninth Street, GENTW3
Allentown, PA 18106

David B. MacGregor, Esquire
Post & Schell PC
Four Penn Center
1600 JFK Blvd.
Philadelphia, PA 19103-2808

Andrew S. Tubbs, Esquire
Post & Schell PC
17 North Second Street, 12th Fl.
Harrisburg, PA 17101-1601

Elizabeth R. Triscari, Esquire
Office of Small Business Advocate
Commerce Building
300 North Second Street, Suite II 02
Harrisburg, PA 17101

Dianne E. Dusman, Esquire
Amy E. Hirakis, Esquire
Senior Assistant Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, P A 17101-1923

Kevin J. McKeon, Esquire
Julia A. Conover, Esquire
Hawke McKeon & Sniscak LLP
PO Box 1778
100 North Tenth Street
Harrisburg, PA 17101
UGI Distribution Companies

Patrick M. Cicero, Esquire
Harry S. Geller, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17102
CAUSE-PA

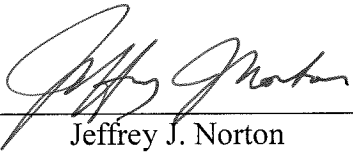
Heather M. Langeland, Esquire
PennFuture
200 First Avenue, Suite 200
Pittsburgh, P A 15222

Craig R. Burgraff, Esquire
Hawke McKeon & Sniscak LLP
Harrisburg Energy Center
100 North Tenth Street
PO Box 1778
Harrisburg, PA 17105-1778
Sustainable Energy Fund
of Central Eastern Pennsylvania

Derrick P. Williamson, Esquire
Barry A. Naum, Esquire
Spilman Thomas & Battle
1100 Bent Creek Boulevard, Suite 101
Mechanicsburg, P A 17050
Wal-Mart Stores East, LP
and Sam's East, Inc.

Joseph L. Vullo, Esquire
Burke Vullo Reilly Roberts
1460 Wyoming Avenue
Forty Fort, P A 18704
Commission on Economic Opportunity

Pamela C. Polacek, Esquire
Adeolu A. Bakare, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
PO Box 1166
Harrisburg, P A 17108-1166
PP&L Industrial Customer Alliance



Jeffrey J. Norton

Date: January 14, 2013

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF PPL ELECTRIC UTILITIES :
CORPORATION FOR APPROVAL OF ITS : Docket No. M-2012-2334388
ACT 129 PHASE II ENERGY EFFICIENCY :
AND CONSERVATION PLAN :

**COMVERGE, INC.'S PETITION FOR ADMISSION
NUNC PRO TUNC OF DIRECT TESTIMONY**

Pursuant to 52 Pa. Code § 1.2, Intervenor Comverge, Inc. (“Comverge”) respectfully requests that Administrative Law Judge (“ALJ”) Dennis J. Buckley admit *nunc pro tunc* Comverge’s direct testimony into the record for the proceeding related to PPL Electric Utilities Corporation’s (“PPL”) Act 129 Phase II Energy Efficiency and Conservation Plan (“Phase II Plan”), and in support thereof, states as follows:

1. The Prehearing Conference Order, issued on November 28, 2010, scheduled December 21, 2012, as the deadline for the filing of “Other Parties’ *Comments*/Direct Testimony” to PPL’s Phase II Plan. (Emphasis added).
2. Likewise, the Second Prehearing Order, issued on December 12, 2012, scheduled December 28, 2012, as the deadline for the filing of “Other Parties’ *Comments*/Direct Testimony” to PPL’s Phase II Plan. (Emphasis added).
3. Comverge filed its Petition to Intervene in this proceeding on December 19, 2012, which was granted by order December 27, 2012.¹

¹ Comverge also has intervenor status in the matter of *Petition of PECO Energy Company for Approval of its Act 129 Phase II Energy Efficiency and Conservation Plan*, Docket No. M-2012-2333992, which is also presently before Judge Buckley. Comverge filed its Petition to Intervene on December 19, 2012, which was granted on December 27, 2012.

4. On December 21, 2012, Comverge timely submitted its Comments to PPL's Phase II Plan.

5. No party of record to this proceeding objected to Comverge's Comments.

6. In an email from Judge Buckley, dated December 27, 2012 (one day before the filing deadline),² and in the Fourth Prehearing Order, issued on January 9, 2013 (after the filing deadline), Comverge was informed that "comments" would not be admitted into the record, and that only "direct testimony" would be accepted.³

7. Comverge now seeks to admit *nunc pro tunc* direct testimony to PPL's Phase II Plan. A true and correct copy of Comverge's direct testimony is attached hereto as Exhibit A.

8. 52 Pa. Code § 1.2(a) permits the Commission or Presiding Officer to "disregard an error or defect of procedure which does not affect the substantive rights of the parties."

9. 52 Pa. Code § 1.2(c) further permits the Commission or Presiding Officer to "waive a requirement of this subpart when necessary or appropriate, if the waiver does not adversely affect a substantive right of a party."

10. In light of the language contained in the Prehearing Conference Order and the Second Prehearing Order (*i.e.*, "Other Parties' **Comments**/Direct Testimony"), the accelerated schedule and compressed time period in this proceeding, Comverge's late intervention into this proceeding, Comverge's timely filing of its Comments to PPL's Phase II Plan, and the fact that

² Judge Buckley indicated in the December 27, 2012 email that "comments" would not be admitted into the record unless they are "introduced at hearing by a party to the proceeding and an authenticating witness is made available for cross-examination." Judge Buckley prefaced his discussion concerning the admissibility of "comments" by stating that he was reiterating a point apparently covered at the prehearing conference. Judge Buckley sent an identical email in the PECO proceeding on December 27, 2012. Comverge was neither a party to this proceeding nor the PECO proceeding at the time of the respective prehearing conferences.

³ The Fifth Prehearing Order in the PECO proceeding, issued on January 2, 2012, contained similar language regarding the admissibility of "comments."

Comverge was informed by Order one day before the filing deadline that “comments” would not be accepted into the record, Comverge respectfully submits that admission *nunc pro tunc* of its direct testimony to PPL’s Phase II Plan is warranted under the facts and circumstances present here.

11. Comverge’s proposed direct testimony does not materially differ in substance from its Comments to PPL’s Phase II Plan, which were timely filed and received by the other parties to this proceeding. No parties objected to the comments.

12. Comverge is willing to agree to whatever extension of time is reasonable and necessary to allow the other parties to file objections and/or rebuttal testimony to Comverge’s direct testimony.⁴

13. Accordingly, the admission of Comverge’s direct testimony will not prejudice the other parties to this proceeding.

14. Comverge is simply offering credible suggestions to the Commission to consider the CHP option to improve the distribution companies' energy efficiency, conservation and cost reductions.

15. The record has not been officially closed at this time.

16. It is in the public interest that the record to this proceeding be complete in that it will aid this ALJ and the Commission in reaching a reasoned decision. Admitting Comverge’s direct testimony *nunc pro tunc* will ensure that the record is complete.

⁴ Counsel for PPL indicated during discussions with Comverge counsel that PPL would likely oppose the present Petition on the grounds that the accelerated schedule and compressed time period would make it difficult to respond to Comverge’s direct testimony. Comverge has no objection to providing PPL an extension of time for opposing parties to have a hearing, file objections and submit rebuttal testimony to Comverge’s direct testimony.

WHEREFORE, for all the foregoing reasons, Comverge respectfully requests that its Petition for Admission *Nunc Pro Tunc* of Direct Testimony be granted and that the direct testimony attached hereto as Exhibit A be received into the record.

Respectfully submitted,



Jeffrey J. Norton, Esquire
Attorney I.D. No. 39241
Carl R. Shultz, Esquire
Attorney I.D. No. 70328
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
Telephone: 717-237-6000
Facsimile: 717-237-6019

Date: January 14, 2013

Attorneys for Comverge, Inc.

EXHIBIT A

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF PPL ELECTRIC UTILITIES :
CORPORATION FOR APPROVAL OF ITS : Docket No. M-2012-2334388
ACT 129 PHASE II ENERGY EFFICIENCY :
AND CONSERVATION PLAN :

**DIRECT TESTIMONY
OF
RAYMOND G. BERKEBILE**

On Behalf of
Comverge, Inc.

January 14, 2013

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND BUSINESS**
2 **RESPONSIBILITIES.**

3 A. My name is Raymond G. Berkebile. I am the Director of Professional Engineering for
4 Comverge, Inc. ("Comverge"). My business address is 511 Schoolhouse Road, Suite
5 200, Kennett Square, PA 19348. In my current position, I lead an engineering team that
6 identifies opportunities for customers involving demand response, energy efficiency, and
7 energy management. I have been an engineer for over 27 years and have over 14 years of
8 experience in the power industry.

9 **Q. HAVE YOU EVER TESTIFIED BEFORE THIS COMMISSION?**

10 A. Yes. I recently offered direct written testimony in the matter of *Petition of PECO Energy*
11 *Company for Approval of its Act 129 Phase II Energy Efficiency and Conservation Plan*,
12 Docket No. M-2012-2333992. In addition, I am contemporaneously offering direct
13 written testimony in the matters of *Petition of Duquesne Light Company for Approval of*
14 *its Act 129 Phase II Energy Efficiency and Conservation Plan*, Docket No. M-2012-
15 2334399; *Petition of Metropolitan Edison Company for Approval of its Act 129 Phase II*
16 *Energy Efficiency and Conservation Plan*, Docket No. M-2012-2334387; *Petition of*
17 *Pennsylvania Electric Company for Approval of its Act 129 Phase II Energy Efficiency*
18 *and Conservation Plan*, Docket No. M-2012-2334392; *Petition of Pennsylvania Power*
19 *Company for Approval of its Act 129 Phase II Energy Efficiency and Conservation Plan*,
20 Docket No. M-2012-2334395; and *Petition of West Penn Power Company for Approval*
21 *of its Act 129 Phase II Energy Efficiency and Conservation Plan*, Docket No. M-2012-
22 2334398.

23 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?**

24 A. I am testifying on behalf of Comverge.

1 **Q. PLEASE DESCRIBE COMVERGE.**

2 A. Comverge is one of the nation's leading providers of energy management products and
3 services. Comverge has been an active Conservation Service Provider ("CSP") in
4 Pennsylvania¹ and has served several electric distribution companies ("EDCs") who are
5 in the Act 129 Phase II Programs. Comverge has provided complex energy management
6 programs and related services to small business, large commercial, and industrial
7 customers throughout Pennsylvania, including those customers in the PPL Electric
8 Utilities Corporation ("PPL" or "Company") service territory.

9 Comverge has a unique business model, and extensive experience in providing
10 energy management solution services to all types of customers. With more than 500
11 utility and 2,100 commercial and industrial customers, five million deployed residential
12 devices, and over 10,000 metering points, Comverge has unparalleled industry
13 knowledge and experience to offering reliable, easy-to-use, and cost-effective intelligent
14 energy management solutions.

15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

16 A. My testimony will address PPL's Act 129 Phase II Energy Efficiency and Conservation
17 ("EE&C") Plan ("Phase II Plan" or "Plan"), Docket No. M-2012-2334388,² which was
18 filed with the Pennsylvania Public Utility Commission ("PUC" or "Commission")

¹ Comverge is registered as a CSP on the PUC's Registry of CSPs, *available at* http://www.puc.pa.gov/utility_industry/electricity/conservation_service_providers_registry.aspx. *See also* Petition of Comverge, Inc., Docket No. A-2009-2113604, Secretarial Letter dated Nov. 3, 2011 (approving application to re-register as a CSP). Comverge's wholly owned subsidiary, Enerwise Global Technologies, is also registered as a CSP. *See* Petition of Enerwise Global Technologies, Inc., Docket No. A-2012-2297625, Secretarial Letter dated April 11, 2012 (approving the company's application to register as a CSP).

² *Available at* http://www.puc.state.pa.us/about_puc/consolidated_case_view.aspx?Docket=M-2012-2334388.

1 pursuant to Act 129 of 2008, 66 Pa . C.S. § 2806.1 (“Act 129) and the PUC’s
2 Implementation Order entered on August 3, 2012, at Docket Nos. M-2008-2069887 and
3 M-2012-2289411.

4 **Q. PLEASE SUMMARIZE COMVERGE’S POSITION ON PPL’S PHASE II PLAN.**

5 A. In this proceeding, Comverge promotes the development of behind-the-meter
6 cogeneration with combined heat and power (“CHP”) technologies as a supported
7 energy-efficient and conservation measure to provide stability in reliability planning,
8 capture significant benefits, and avoid waste at little added cost. CHP technologies
9 generate electric and thermal energy from a single fuel source, e.g., natural gas.
10 Customers with steady base load electricity usage coupled with steady thermal demand
11 can realize significant efficiencies and savings by incorporating CHP. Comverge
12 supports the use of CHP as a cost-effective, energy-efficient energy use that supports the
13 goals and objectives of Act 129. Comverge believes CHP should have an important role
14 in PPL’s Phase II Plan.

15 **Q. DOES PPL DISCUSS CHP IN ITS EE&C PLANS?**

16 A. Yes. PPL included CHP as an energy efficiency and conservation measure in both its
17 Phase I and Phase II EE&C Plans. In PPL Electric Utilities Corporation’s Energy
18 Efficiency and Conservation Plan, Docket No. M-2009-2093216 (“Phase I Plan”), PPL
19 mentioned CHP technologies for use with the low-income multi-family sector.³ In its

³ CHP is repeatedly mentioned in the same way in the various incarnations of the PPL Phase I Plan. *See* July 1, 2009 Phase I Plan at 97; July 31, 2009 Phase I Plan at 97; December 15, 2009 Phase I Plan at 102-103; September 15, 2010 Phase I Plan at 103; February 28, 2011 Phase I Plan at 122; May 29, 2012 Phase I Plan at 98. *See also* PPL Quarterly Report to the Commission by the Cadmus Group, dated July 15, 2012, at 12; PPL Final Annual Report to the Commission, dated November 15, 2012, at 49. *All available at* http://www.puc.state.pa.us/about_puc/consolidated_case_view.aspx?Docket=M-2009-2093216.

1 Phase II Plan, PPL discusses eligible energy efficiency and conservation measures and
2 energy savings incentives strategies.⁴

3 **Q. DOES PPL'S PHASE II PLAN EFFECTIVELY UTILIZE CHP AS AN ENERGY**
4 **EFFICIENCY AND CONSERVATION MEASURE?**

5 A. No. PPL mentions that it held meetings with stakeholders that discussed CHP as part of
6 the Custom Incentive Program, but provides little detail on the CHP measures that it
7 advocates. Comverge believes that the PPL Phase II Plan does not go far enough and, at
8 times, actually inhibits the inclusion of CHP as an energy efficiency measure. For
9 instance:

- 10 1. PPL requires significantly higher hurdles for CHP projects by
11 requiring a TRC of 1.25 or greater while other custom measures
12 require a TRC greater than 1.0.⁵
- 13 2. PPL offers a lower incentive rate for CHP at \$0.05/kWh versus
14 \$0.08/kWh for other custom measures.⁶
- 15 3. PPL utilized a higher societal discount rate of 8.14%⁷ and a
16 participant discount rate of 10.0%,⁸ as compared to PECO Energy
17 Company ("PECO"), which utilized a lower societal discount rate
18 of 7.4% in its Phase II Plan.⁹ The higher PPL discount rate has an

4 ⁴ See PPL Phase II Plan at 14, 102, 118, 134 (mentioning CHP as an eligible energy
measure and/or incentive).

5 ⁵ *Id.* at 102, 118, and 134

6 ⁶ *Id.*

7 ⁷ *Id.* at 182

8 ⁸ *Id.*

9 ⁹ PECO Energy Company's Act 129 Phase II Energy Efficiency and Conservation Plan
("PECO Phase II Plan"), Docket No. M-2012-2333992, at 182, *available at*

1 adverse impact on the TRC program scoring of cost effectiveness
2 for CHP.¹⁰

3 4. The PPL Plan does not fully consider the societal impacts and
4 benefits of reducing the carbon footprint and implementing CHP
5 projects which help minimize externalities including NOx (nitrous
6 oxide), SOx (sulfur oxides) and or VOC (volatile organic
7 compounds) emissions.¹¹

8 5. The PPL Plan does not fully consider the other non-energy benefits
9 of implementing CHP, which include: comfort, health and safety,
10 aesthetics, financial savings, water savings, sustainable job creation
11 and economic development.¹²

12 **Q. WHAT IS YOUR RECOMMENDATION FOR THE DEVELOPMENT OF CHP**
13 **TECHNOLOGIES IN PPL'S SERVICE TERRITORY?**

14 A. Comverge believes CHP should have an important role in PPL's Phase II Plan, and
15 advocates that PPL should adopt the elements of the Smart On-Site Program ("the
16 Program") set forth in PECO's Phase II Plan that support CHP. PPL should then actively
17 develop and implement CHP technologies in its service territory.

18 **Q. PLEASE BRIEFLY DESCRIBE PECO'S SMART ON-SITE PROGRAM.**

http://www.puc.state.pa.us/about_puc/consolidated_case_view.aspx?Docket=M-2012-2333992.

10 *See Robin LeBaron, Getting to Fair Cost-Effectiveness Testing Using the PAC Test, Best Practices for the TRC Test, and Beyond, National Home Performance Council, September 19th, 2011, at 8, available at <http://www.nhpci.org/images/TRC.pdf>.*

11 *See Id.* at 8-9.

12 *See Id.* at 8-10.

1 A. As an example, in PECO’s Phase II Plan, the Smart On-Site Program sets forth the
 2 PECO’s interest in developing CHP technologies in its service territory.¹³ In its Petition
 3 for Approval of its Phase II Plan, PECO states that the PECO Smart On-Site Program is
 4 designed to encourage installation of CHP projects that “maximize operational savings
 5 and minimize operational and maintenance costs. It offers incentives to customers who
 6 install CHP technologies to reduce facility energy use.”¹⁴

7 **Q. PLEASE DESCRIBE THE OBJECTIVES OF PECO’S SMART ON-SITE**
 8 **PROGRAM.**

9 A. PECO’s Smart On-Site Program (“the Program”) will be rolled out to the public during
 10 PY 2013 and will operate through PY 2015. In its Phase II Plan, PECO sets forth its
 11 Smart On-Site Program objectives:

- 12 1. Increase consumers’ awareness and understanding of CHP
 13 technologies and opportunities in their facilities.
- 14 2. Assist customers interested in acting on opportunities to install
 15 various types of CHP systems.
- 16 3. Overcome financial barriers to allow customers to integrate CHP
 17 technologies into their facilities energy systems.
- 18 4. Make a significant contribution to attainment of PECO’s energy
 19 savings goals.

¹³ See PECO’s Phase II Plan at 147-154; *see also* PECO St. No. 1 (Jiruska) at 16; PECO St. No. 2 (Galvin) at 12; Exhibit RAS-2, Phase II Plan Program Cost By Rate Class (PY2013-PY2015). *All available at* http://www.puc.state.pa.us/about_puc/consolidated_case_view.aspx?Docket=M-2012-2333992.

¹⁴ Petition of PECO Energy Company for Approval of its Phase II Energy Efficiency and Conservation Plan, Docket No. M-2012-2333992, at 10, *available at* http://www.puc.state.pa.us/about_puc/consolidated_case_view.aspx?Docket=M-2012-2333992.

1 5. Demonstrate PECO's commitment to and confidence in innovative
2 energy savings technologies.

3 6. Strengthen customer trust in PECO as their partner in saving
4 energy.¹⁵

5 **Q. PLEASE DESCRIBE PECO'S PLAN TO DEVELOP CHP TECHNOLOGIES.**

6 A. PECO's target customer market for its Smart On-Site Program includes all existing
7 commercial and industrial accounts, including government, public, and non-profit
8 facilities. The Company's focus for the Program is customers installing any type of CHP
9 technology that helps offset facility demand. The Program offers incentives to customers
10 who install CHP technologies to reduce facility energy use.¹⁶ CHP technologies generate
11 electric and thermal energy from a single fuel source, e.g., natural gas. Customers with
12 steady base load electricity usage coupled with steady thermal demand can realize
13 significant efficiencies and savings by incorporating CHP. The Program will be designed
14 to ensure participating customers install economic CHP projects that maximize
15 operational savings and minimize operational and maintenance costs.¹⁷ The Program
16 incentives are paid on a declining tiered incentive rate by installed capacity with a bonus
17 performance payment. The performance payment is paid on a fixed per kWh basis based
18 on actual energy savings after a one-year monitoring period.¹⁸

19 **Q. IS ASSISTANCE AVAILABLE TO ENERGY USERS?**

15 PECO's Phase II Plan at 147.

16 *Id.*

17 *Id.*

18 *Id.*

1 A. Yes. In its Program, PECO points out that several other sources of technical and
2 financial assistance are available to commercial and industrial energy users to enable
3 energy efficiency improvements. PECO highlights specifically the United States Clean
4 Heat and Power Association as an applicable collaborative resource to entities that utilize
5 CHP and who work to develop sound clean energy policy and market place solutions.¹⁹

6 **Q. DOES PECO'S SMART ON-SITE PROGRAM PROVIDE INCENTIVES TO**
7 **ENERGY USERS?**

8 A. Yes. PECO's Phase II Plan also sets forth measures that demonstrate the Programs
9 proposed per-unit gross annual deemed savings, costs and potential incentives.²⁰ The
10 Program will record energy savings and peak load reductions from the incentive
11 applications processed. The Program encourages installation of CHP projects that
12 maximize operational savings and minimize operational and maintenance costs. It offers
13 incentives to customers who install CHP technologies to reduce facility energy use.

14 The Program offers custom incentives paid on a fixed per kWh basis (up to a set
15 amount) based on the projects' first year energy savings. PECO projects that the
16 Program will produce 135,002 MWh in energy savings over the course of the Plan. The
17 budget for the program is approximately \$14.9 million.²¹

18 **Q. IS COMVERGE WILLING TO PARTICIPATE IN THE DEVELOPMENT OF**
19 **CHP IN PPL'S SERVICE TERRITORY?**

20 A. Yes. Comverge's unique offering of a CHP cogeneration operation strategy can assist
21 PPL in meeting its respective Act 129 goals. Comverge can help PPL and the regulators
22 integrate the three programs of load management, energy efficiency, and distributed

¹⁹ *Id.* at 149.

²⁰ *Id.* at 151.

²¹ PECO St. No. 1 (Jiruska) at 16.

1 generation into a cohesive model for customers. Comverge can elucidate a business
2 strategy through energy and load optimization to fill this void. Comverge is working to
3 actively pursue cogeneration as it is truly a distributed generation and energy efficiency
4 solution.

5 **Q. ARE THERE OTHER REASONS THAT SUPPORT THE DEVELOPMENT OF**
6 **CHP TECHNOLOGIES IN PPL'S SERVICE TERRITORY?**

7 A. Yes. The development of CHP technologies is in the public interest since CHP
8 technologies and opportunities will make a significant contribution to attainment of
9 PPL's energy savings goals under Act 129 by providing innovative ways to increase
10 energy efficiency and conserve energy. The following points and suggestions further
11 support the development of CHP technologies in the PPL service territory:

- 12 1. CHP systems have a higher degree of certainty in the hours of
13 operation, energy costs and savings over their lifetime. For
14 example, the CHP hours of operation can be continuous, thereby
15 allowing the estimated costs to be easier to define and manage.
16 Other referenced custom measures can be more impacted by
17 weather, occupancy levels, project load and non-energy benefits.
18 With CHP, any upfront capital investment can be recouped quicker
19 with the savings from the generation of on-site electricity.
- 20 2. Although CHP technologies can utilize a variety of fuels, most CHP
21 systems utilize natural gas. With the availability and abundance of
22 low-cost natural gas throughout the Marcellus Shale and Utica

1 Shale regions, the implementation of distributed generation with gas
2 makes financial, economic and environmental sense.²²

- 3 3. CHP distributed on-site generation of electricity reduces
4 transmission and distribution losses, reduced grid congestion,
5 improves reliability, reduces base-load (presumably coal-fired)
6 generation requirements, reduces capacity requirements and
7 provides enhanced national security by becoming less dependent on
8 foreign oil. Since CHP is more efficient, less fuel is required to
9 produce a given energy output than with separate heat and power.
10 Higher efficiency translates into: lower operating costs, reduced
11 emissions of all pollutants, increased reliability and power quality,
12 reduced grid congestion and avoided distribution losses.²³

- 13 4. To mitigate the risks of variable energy costs associated with the
14 implementation of CHP, the contractual parties can enter into long-
15 term power purchase agreements to lock in the costs.

16 **Q. DOES THIS COMPLETE YOUR TESTIMONY?**

17 A. Yes.

²² See Anna Chittum and Nate Kaufman, *Challenges Facing Combined Heat and Power Today: A State-by-State Assessment*, American Council for an Energy-Efficient Economy, Report Number IE111, September 2011, at 21, 63, available at <http://www.uschpa.org/files/public/ie111.pdf>.

²³ For more information regarding the benefits of CHP technologies and the differentiation between generation efficiency and on-site efficiency, see <http://www.epa.gov/chp/basic/efficiency.html>.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF PPL ELECTRIC UTILITIES :
CORPORATION FOR APPROVAL OF ITS : Docket No. M-2012-2334388
ACT 129 PHASE II ENERGY EFFICIENCY :
AND CONSERVATION PLAN :

VERIFIED STATEMENT OF RAYMOND G. BERKEBILE

Raymond G. Berkebile, being duly sworn, states as follows:

1. I, Raymond G. Berkebile, am the Director of Professional Engineering for Comverge, Inc. ("Comverge") and am authorized to make the statements contained herein.
2. On behalf of Comverge, I have submitted Direct Testimony (marked as Comverge St. 1, containing ten (10) pages) in this proceeding.
3. This testimony was prepared by me or under my supervision or direction for purposes of this proceeding on behalf of Comverge.
4. I have no additional changes to Comverge St. 1 and certify that the testimony I have submitted is true and correct to the best of my information, knowledge and belief. If I were asked the same questions set forth in my testimony today, my answers would be the same.
5. I hereby state that the facts and representations set forth above are true and correct to the best of my knowledge, information and belief. I understand that the statements made herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsifications to authorities).


Raymond G. Berkebile