

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF PECO ENERGY :
COMPANY FOR APPROVAL OF ITS :
ACT 129 PHASE II ENERGY : **DOCKET NO. M-2012-2333992**
EFFICIENCY AND CONSERVATION :
PLAN :

REPLY COMMENTS OF PECO ENERGY COMPANY

On February 28, 2014, PECO Energy Company (“PECO”) filed a Petition to amend its Phase II Energy Efficiency and Conservation (“EE&C”) Plan (“Phase II Plan” or “Plan”). As set forth in the Petition, the proposed amendments to the Phase II Plan include changes to extend PECO’s Mass Market Direct Load Control (“DLC”) Program for residential and small business customers through the remainder of the Phase II Plan period (i.e., through May 31, 2016), increase low income customer compact fluorescent light use, and consolidate various measures by technology type to increase Plan flexibility in responding to market and technology changes. *See* Petition, pp. 6-7.

In accordance with the Commission’s procedures for consideration of EE&C plan amendments, the Commission established a schedule for comments and reply comments by interested stakeholders.¹ Thereafter, comments were filed on March 19, 2014, by the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), Comverge, Inc. (“Comverge”), the Keystone Energy Efficiency Alliance (“KEEA”), and the Office of Consumer Advocate (“OCA”).

¹ *See* Secretarial Letter, *Petition of PECO Energy Company for Approval of its Act 129 Phase II Energy Efficiency and Conservation Plan*, Docket No. M-2012-2333992 (March 7, 2014).

Each of the filed comments expressed strong support for the amendments to PECO's Plan and, in particular, PECO's proposed continuation of its Mass Market DLC Program. The parties agree that the Mass Market DLC Program is cost-effective under the Total Resource Cost test and that its continuation will not jeopardize the Company's ability to meet 105% of its Phase II Plan energy savings target. *See* CAUSE-PA Comments, p. 2; Comverge Comments, pp. 1-2, 7-9; KEEA Comments, pp. 1-2; OCA Comments, pp. 2-3. The OCA, KEEA and Comverge also emphasize that PECO's proposed amendments will avoid stranding its Phase I investment in DLC infrastructure. *See* OCA Comments, p. 2-3; Comverge Comments, pp. 4-5, 7; KEEA Comments, p. 2. CAUSE-PA also supports PECO's proposed changes to the Plan's low income energy efficiency programs, which it believes will significantly increase the energy savings and corresponding benefits for low income customers without an increase in the budget allocated to that customer sector. CAUSE-PA Comments, p. 1.


The Philadelphia Area Industrial Energy Users Group ("PAIEUG") also filed comments to the amended Plan on March 19, 2014. In its comments, PAIEUG pointed out that the incentives for several large commercial and industrial program measures in the Plan had adjusted rebate ranges of "\$0 to \$0." PAIEUG Comments, p. 1. PAIEUG does not oppose the Petition subject to correction of those "zeroed out" incentives. *See id.*

In preparing of these Reply Comments, PECO determined that certain incentive levels had been inadvertently converted to zero amounts in the process of generating the final amended Phase II Plan, as PAIEUG correctly noted. In addition, several intended changes in the low income customer programs were also inadvertently omitted from the as-filed Plan. In order to ensure that the Commission and all parties have a complete and correct copy of PECO's

proposed amended Plan, PECO is attaching clean and redline copies of the Plan (as Exhibit A and Exhibit B, respectively) to these Reply Comments which correct these inadvertent errors.²

WHEREFORE, PECO Energy Company respectfully submits its Reply Comments and requests that the Commission enter a final Order approving the amended Phase II EE&C Plan.

Respectfully submitted,



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March 31, 2014

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² PECO notes that the redline included with these Reply Comments shows changes to its existing Phase II Plan, not the original proposed amended Plan filed on February 28, 2014. PECO can provide a redline showing only the corrections to the February 28, 2014 Plan if requested by the Commission.