

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	Docket No. R-2015-2469275
	:	
	:	
v.	:	
	:	
	:	
PPL Electricity Utilities Corporation	:	

**NATURAL RESOURCES DEFENSE COUNCIL (NRDC) STATEMENT IN SUPPORT
OF JOINT PETITION FOR APPROVAL OF SETTLEMENT OF ALL ISSUES**

Natural Resources Defense Council (“NRDC”), a signatory party to the Joint Petition for Settlement (“Joint Petition”) in this matter, respectfully requests that the Pennsylvania Public Utility Commission (“PUC”) approve the Joint Petition as reasonable, equitable, and in the public interest. In support of this request, NRDC states as follows:

I. INTRODUCTION

NRDC is an environmental organization and not-for-profit corporation that works to protect natural resources, public health, and the environment in Pennsylvania and around the globe. NRDC currently has more than 54,000 members and activists in Pennsylvania.

NRDC’s top institutional priority is curbing emissions of carbon dioxide and other pollutants that cause global warming and building a clean energy future, chiefly through the increased use of energy efficiency and renewable energy resources. Accordingly, NRDC works to support actions – such as the EPA’s recent issuance of the carbon emission standards for existing power plants under the Clean Power Plan – that promote efficiency and renewables, while working to oppose actions – such as proposals by utilities to raise customer fixed charges –

that are likely to disincentive efficiency and renewables, and thereby result in unnecessarily large emissions of climate-warming pollution from electricity generation.

In addition to its general interest in reducing harmful emissions, NRDC is particularly interested in ensuring that the health, environmental, and economic benefits of energy efficiency and renewable energy can be enjoyed by low-income communities. Consequently, in Pennsylvania and several other states, NRDC is a leading participant in Energy Efficiency for All, a partnership that seeks to provide energy efficiency benefits to low-income persons in Pennsylvania (and several other states) who live in multifamily homes.

II. BACKGROUND

NRDC adopts the background set forth in Paragraphs 1-18 of the Joint Petition while noting that the testimony of Brendon Baatz described in Paragraph 10 was served on behalf of NRDC and Clean Air Council, as well as on behalf of the Keystone Energy Efficiency Alliance Education Fund (“KEEF”).

III. NRDC’S SUPPORT OF THE SETTLEMENT

NRDC supports the Joint Petition as reasonable and in the public interest primarily for three reasons.

First, while the Joint Petition provides for rate increases that will raise PPL’s annual distribution operating revenues by \$124 million overall, it will maintain the fixed customer charge for PPL’s residential customer class at the current \$14.09 per month. NRDC opposed PPL’s proposal to increase this amount to approximately \$20 because Mr. Baatz found that PPL had not justified this increase and that the increase would disincentivize energy efficiency and energy conservation, thereby working at cross-purposes with Act 129, the Commonwealth’s demand-side energy efficiency statute. Mr. Baatz also found that the increase would

disproportionately harm low-income customers and residents of multi-family housing. (KEEF et al., St. 1 at 4, 8-25, 35-39). Because the customer fixed charge for the residential class will remain at \$14.09 under the terms of the Joint Petition, PPL's residential customers will continue to have significant opportunities to reduce the volumetric portion of their electricity bills through efficiency, conservation, and renewable energy. NRDC supports this outcome.

Second, the Joint Petition provides for PPL to hold, by March 1, 2016, a collaborative to explore the adoption of revenue decoupling, a mechanism that enables utilities to recover all of their authorized revenues even when sales volumes fluctuate. NRDC has long supported decoupling for both electricity and natural gas utility rates because when customers take measures to reduce energy consumption, decoupling allows for rates to be periodically "tuned up" to prevent under-recovery (or over-recovery from consumers). NRDC believes that revenue decoupling could benefit both PPL and its customers and be an effective long-term solution to future revenue recovery issues. Decoupling would also be consistent with the energy efficiency policies embodied by Act 129.

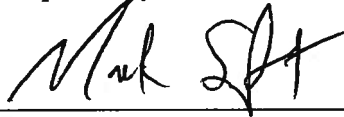
Third, NRDC supports the Joint Petition because, as described in the Statement in Support of Settlement submitted in this matter by the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA"), the Joint Petition contains terms that will improve PPL's CAP and LIURP programs and so benefit lower-income Pennsylvanians. NRDC supports these improvements for the reasons stated by CAUSE-PA.

Fourth, NRDC supports the Joint Petition because settlement in this matter will reduce administrative burdens and costs to all of the parties to the settlement.

IV. CONCLUSION

For all the reasons stated above, NRDC respectfully requests that the PUC approve the Joint Petition without modification.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Szybist", written over a horizontal line.

Mark Szybist, Esquire
Attorney I.D. 94112
Natural Resources Defense Council
1152 15th Street NW, Suite 300
Washington, DC 20005
202-289-2422
mszybist@nrdc.org

Date: September 4, 2015

CERTIFICATE OF SERVICE

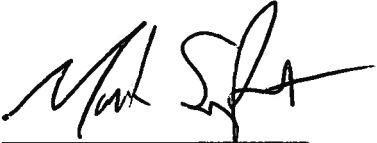
I hereby certify that this day I served a copy of NRDC's Statement in Support of Settlement upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code § 1.54.

Via First Class Mail

David B. MacGregor, Esquire Post & Schell, P.C. Four Penn Center 1600 John F. Kennedy Blvd. Philadelphia, PA 19103 dmacgregor@postschell.com	Michael W. Gang, Esquire Christopher T. Wright, Esquire Post & Schell, P.C. 17 North Second Street 12 th Floor Harrisburg, PA 17101 mgang@postschell.com cwright@postschell.com
Steven C. Gray, Esquire Office of Small Business Advocate 300 North Second Street Suite 202 Harrisburg, PA 17101 sgray@pa.gov	Darryl Lawrence, Esquire Lauren M. Burge, Esquire Hobart J. Webster, Esquire Office of Consumer Advocate 555 Walnut Street 5 th Floor Forum Place Harrisburg, PA 17101 dlawrence@paoca.org lburge@paoca.org hwebster@paoca.org
Paul E. Russell, Esquire Kimberly A. Klock, Esquire PPL Electric Utilities Corporation GENTW4 Allentown, PA 18101 perussell@pplweb.com kklock@pplweb.com	Joseph L. Vullo, Esquire Burke Vullo Reilly Roberts 1460 Wyoming Avenue Forty Fort, PA 18704 jvullo@aol.com
Eric Joseph Epstein 4100 Hillsdale Road Harrisburg, PA 17112 lechambon@comcast.net	Elizabeth R. Marx, Esq. Patrick M. Cicero, Esq. Pennsylvania Utility Law Project 118 Locust Street Harrisburg, PA 17101 pulp@palegalaid.net

<p>Kenneth L. Mickens, Esquire LLC 316 Yorkshire Drive Harrisburg, PA 17111 kmickens11@verizon.net</p>	<p>Adeolu A. Bakare, Esquire PPL Industrial Customer Alliance 100 Pine Street P.O. Box 1166 Harrisburg, PA 17108 abakare@mwn.com</p>
<p>Joseph Otis Minott, Esquire Ernest Logan Welde, Esquire Benjamin Z. Hartung, Esquire Clean Air Council 135 S. 19th Street, Suite 300 Philadelphia, PA 19103 joe_minott@cleanair.org lwelde@cleanair.org bhartung@cleanair.org</p>	<p>Jacob Schlesinger, Esq. Keyes, Fox & Weidman, LLP 1400 16th Street 16 Market Square, Suite 400 Denver, CO 80202 jschlesinger@kfwlaw.com</p>
<p>David R. Wooley, Esq. Keyes, Fox & Weidman, LLP 436 14th Street, Suite 1305 Oakland, CA 94612 dwooley@kfwlaw.com</p>	<p>John Finnigan, Esq. Environmental Defense Fund 128 Winding Brook Lane Terrace Park, OH 45174 jfinnigan@edf.org</p>
<p>Michael Panfil, Esq. Environmental Defense Fund 128 Winding Brook Lane Terrace Park, OH 45174 mpanfil@edf.org</p>	<p>Heather Langeland, Esq. Citizens for Pennsylvania's Future 200 First Avenue, Suite 200 Pittsburgh, PA 15222 langeland@pennfuture.org</p>
<p>Scott Rubin, Esq. 333 Oak Lane Bloomsburg, PA 17815 scott.j.rubin@gmail.com</p>	<p>Richard A. Kanaskie, Esq. Gina L. Lauffer, Esq. Kenneth R. Stark, Esq. Bureau of Investigation & Enforcement P.O. Box 3265 Commonwealth Keystone Building 400 North 2nd Street, 2nd Floor West Harrisburg, PA 17105 rkanaskie@pa.gov ginlauffer@pa.gov kenstark@pa.gov</p>

Date: September 4, 2015


Mark Szybist, Esquire