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March 1, 2021

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor Harrisburg, PA 17120 **VIA ELECTRONIC FILING** 

RE: Joint Petition for Consolidation of Proceedings and Approval of the Phase IV Energy Efficiency and Conservation Plans of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company; Docket Nos. M-2020-3020820, M-2020-3020821, M-2020-3020822, M-2020-3020823

Dear Secretary Chiavetta:

Attached please find for filing with the Pennsylvania Public Utility Commission the Reply Comments on behalf of the Met-Ed Industrial Users Group ("MEIUG"), the Penelec Industrial Customer Alliance ("PICA"), and the West Penn Power Industrial Intervenors ("WPPII"), in the above-referenced proceeding.

As shown by the attached Certificate of Service and per the Commission's March 20, 2020, Emergency Order, all parties to this proceeding are being duly served via email only due to the current COVID-19 pandemic. Upon lifting of the aforementioned Emergency Order, we can provide parties with a hard copy of this document upon request.

Sincerely,

McNEES WALLACE & NURICK LLC

Charis Mincavage

By Chair Mercange

Counsel to the Met-Ed Industrial Users Group, the Penelec Industrial Customer Alliance, and the West Penn Power Industrial Intervenors

c: Deputy Chief Administrative Law Judge Mark A. Hoyer (via E-mail) Administrative Law Judge Emily DeVoe (via E-mail) Certificate of Service

### CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

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Dated this 1<sup>st</sup> day of March, 2021, at Harrisburg, Pennsylvania

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Petition for Consolidation of Proceedings :

and Approval of the Phase IV Energy Efficiency : Docket Nos. M-2020-3020820 and Conservation Plan of Metropolitan Edison : M-2020-3020821 Company, Pennsylvania Electric Company, : M-2020-3020822 Pennsylvania Power Company, and West Penn : M-2020-3020823

Power Company :

# REPLY COMMENTS OF THE MET-ED INDUSTRIAL USERS GROUP, THE PENELEC INDUSTRIAL CUSTOMER ALLIANCE, AND THE WEST PENN POWER INDUSTRIAL INTERVENORS

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Dated: March 1, 2021

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## I. INTRODUCTION

On November 30, 2020, the Metropolitan Edison Company ("Met-Ed"), Pennsylvania Electric Company ("Penelec"), Pennsylvania Power Company ("Penn Power"), and West Penn Power Company ("West Penn") (collectively, "Companies") petitioned the Pennsylvania Public Utility Commission ("PUC" or "Commission") for approval of the Companies' Phase IV Energy Efficiency & Conservation ("EE&C") Plans ("Phase IV Plans"). The Companies' Petition for Approval of its Phase IV Plan ("Petition") outlines the Companies' proposal to address the requirements of Act 129 and the PUC's Phase IV Implementation Order. 

1 See Petition, p. 1.

Pursuant to the procedural schedule established in this proceeding, parties were permitted to submit Comments between January 22, 2021, and January 25, 2021, with Reply Comments due March 1, 2021. As discussed more fully in Section II, *infra*, the Met-Ed Industrial Users Group ("MEIUG"), the Penelec Industrial Customer Alliance ("PICA"), and the West Penn Power Industrial Intervenors ("WPPII") (collectively, "Industrial Customer Groups") submit these Reply Comments to respond to a specific issue raised in the Comments of Ceres, which argued that Electric Distribution Companies ("EDCs") should be mandated to continue to spend their Phase IV Act 129 budgets even after the EDCs' Phase IV goals are met.<sup>2</sup> For the reasons detailed below, the Industrial Customer Groups respectfully request that the Commission deny Ceres' recommendation and confirm that, as discussed in the Implementation Order,<sup>3</sup> the PUC will permit EDCs to spend their Phase IV budgets after their Phase IV goals have been met, but such spending is not required by the Commission.

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<sup>&</sup>lt;sup>1</sup> Energy Efficiency and Conservation Program; Docket No. M-2020-3015228, Implementation Order (June 18, 2020) ("Implementation Order").

<sup>&</sup>lt;sup>2</sup> Ceres filed substantially similar Comments in all of the various EDC Phase IV EEC proceedings.

<sup>&</sup>lt;sup>3</sup> Implementation Order, pp. 131-132.

#### II. **COMMENTS**

In the Comments filed by Ceres on January 25, 2021, Ceres asked that the Commission consider a number of recommendations, including that the Commission mandate EDCs to continue spending their Phase IV budgets on their EE&C Programs even after attaining the required Phase IV EEC targets. What Ceres fails to recognize, however, is that the Commission has already considered and rejected this mandate in the Implementation Order.<sup>4</sup> During the PUC's contemplation of Phase IV implementation processes and procedures, Ceres, along with the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania ("CAUSE-PA"), Keystone Energy Efficiency Alliance ("KEEA"), and Regional Housing Legal Services (collectively, "PA-EEFA"), made the very same suggestion.<sup>5</sup> The Commission directly rejected this suggestion, stating that "[f]or Phase IV of Act 129, we will not adopt the suggestions put forth by PA EEFA, CAUSE-PA, Ceres, or KEEA, as they are contrary to the EE&C Plan limitations on costs." As nothing has changed between the issuance of the Phase IV Final Implementation Order in June 2020 and the consideration of the Companies' Phase IV EE&C Plan proposal, a change in the Commission's recent decision is not warranted. Accordingly, the Commission must deny Ceres' recommendation and, instead, confirm that EDCs are not mandated to continue to spend their Phase IV budget after meeting their Phase IV targets.

<sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> *Id*. at 131.

# III. CONCLUSION

WHEREFORE, the Met-Ed Industrial Users Group, the Penelec Industrial Customer Alliance, and the West Penn Power Industrial Intervenors respectfully request that the Pennsylvania Public Utility Commission deny Ceres' recommendation for the reasons set forth in the above Reply Comments.

Respectfully submitted,

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