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October 7, 2022

**VIA EFILING**

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

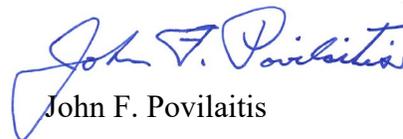
Re: PPL Electric Utilities Corporation's Proposed Universal Service and Energy  
Conservation Plan for 2023-2027;  
Docket No. M-2022-3031727

Dear Secretary Chiavetta:

Enclosed please find Reply Comments of the Pennsylvania Coalition of Local Energy  
Efficiency Contractors, Inc., in the above-captioned proceeding.

Copies are being served as indicated in the attached Certificate of Service.

Very truly yours,

  
John F. Povilaitis

JFP/tlg  
Enclosure  
cc: Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PPL Electric Utilities Corporation's :  
Proposed Universal Service and Energy : Docket No. M-2022-3031727  
Conservation Plan for 2023-2027 :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of § 1.54 (relating to service by a party).

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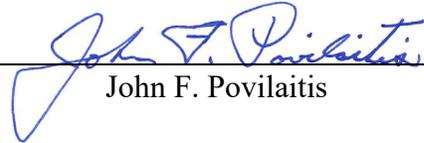
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Dated this 7th day of October, 2022.

  
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John F. Povilaitis

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PPL Electric Utilities Corporation’s Proposed :  
Universal Service and Energy Conservation : Docket No. M-2022-3031727  
Plan for 2023-2027 :

**PA – CLEEC REPLIES TO COMMENTS**

**I. INTRODUCTION**

The Pennsylvania Coalition of Local Energy Efficiency Contractors, Inc. (“PA-CLEEC”) submits the following Replies to the Comments of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), the Commission on Economic Opportunity (“CEO”), the Office of Consumer Advocate (“OCA”) and the Pennsylvania Weatherization Providers Task Force (“PA Weatherization Providers”) (collectively the “Commenting Parties”). PA-CLEEC supports certain comments and recommendations of the Commenting Parties in the areas of WRAP budget and the Request for Proposals (“RFP”) process used by PPL Electric Utilities Corporation (“PPL Electric”).

PA-CLEEC considers its priority to be serving low-income PPL Electric customer WRAP participants with the best local energy efficiency contractors available to help those customers reduce their electricity cost burden. The Commenting Parties’ recommendations on WRAP budget and RFP process are consistent with PA-CLEEC’s priority in that they urge changes to PPL Electric’s Universal Service and Energy Conservation Plan for 2023-2027 (the “Plan”) that should make more valuable services available to more low-income PPL Electric customers. PA-CLEEC urges the Pennsylvania Public Utility Commission (“Commission” or “PUC”) to adopt these recommendations as follows.

## **II. WRAP BUDGET ISSUES**

The Commenting Parties unanimously support the Commission directing a substantial increase in PPL Electric's WRAP budget, which CAUSE-PA correctly describes as "stagnant" at an annual budget of \$10 million and 3,500 enrollments. PA-CLEEC supports a substantial budget increase in the WRAP budget as well. CEO and the PA Weatherization Providers recommend a budget increase to \$14 million annually. CAUSE-PA recommends budget increases that will serve the 85,825 PPL Electric documented eligible households over the next ten years. PA-CLEEC supports an increase in the WRAP budget, as well as three other budget related recommendations that are extremely reasonable, in the public interest, and consistent with Commission regulations governing the LIURP/WRAP budget. 52 Pa. Code § 58.4(c).

First, CEO notes that unexpended WRAP budget funds should be directed by the PUC to roll over into the next budget year. CAUSE-PA notes that PPL Electric is silent on whether unused dollars will be rolled over to the next budget year. PA-CLEEC also supports this recommendation so that a steady pace toward the goal of serving all eligible customers can be maintained.

Second, OCA recommends that after an initial increased budget is set for the Plan for WRAP, PPL Electric should be required to submit a report on the budget every two years. This will allow the budget to be re-evaluated so that potential changes in the WRAP budget are not delayed by being tied to the next PPL Electric rate case or the next proposed Plan. This recommendation, if adopted, would be very beneficial since it can take current conditions into account, such as the level of inflation, the cost of materials and the all-important level of need for services.

Third, a larger WRAP budget would facilitate several specific recommended Plan improvements that have great merit. CEO's recommendation that the amounts WRAP contractors can utilize for health and safety measures without PPL Electric approval should be increased from \$650 to \$1,500 per household participant for owners and up to \$750 per participant household for renters is reasonable and would be supported by larger WRAP budgets. This change will drive more efficiency measures being delivered per job.

A larger WRAP budget will also allow PPL Electric to perform more post-installation field inspections so that efficiency improvements can be confirmed, and customer participants can be informed of their total savings as recommended by CAUSE-PA. Finally, increased WRAP funds will allow ductless heat pumps, whose installation costs are relatively high, but whose energy savings are well-documented, to be adopted as a "standard measure" as advocated by CAUSE-PA.

PA-CLEEC strongly supports the budget increases to WRAP that have been recommended by the Commenting Parties and urges Commission to: (i) direct PPL Electric to adopt an increased budget, (ii) direct an ongoing budget review as advocated by OCA, and (iii) direct the specific Plan improvements on increased dollar values of pre-approved increased health and safety improvements, increased field inspections and use of ductless heat pumps as a standard measure, all of which would be enabled by a larger WRAP budget.

### **III. RFP PROCESS**

CEO, PA Weatherization Providers and CAUSE-PA all raised concerns regarding the precipitous drop in PPL Electric's use of Community Based Organizations ("CBOs") to deliver WRAP services. PA Weatherization Providers and CAUSE-PA recognized the relationship between this concern and PPL Electric's RFP process. PA Weatherization Providers noted that

(i) neither the factors considered, nor the weight of factors used in contractor selection are transparent in the RFP Process, and (ii) PPL Electric did not respond to PA-CLEEC's comments on the use of CBOs. PA-CAUSE questioned what prioritizations are used in PPL Electric's contractor selection criteria and urged priority for CBOs that also administer other bill-payment assistance programs.

PA-CLEEC also advocates for a fair and transparent PPL Electric RFP process. Such a process includes a formal dispute resolution process that ensures contract awards are made in a consistent manner, and a manner that prioritizes the interests of the low-income WRAP participant. Pages 9-10 of PA-CLEEC's comments detailed the elements of such a fair and transparent RFP process, that includes a dispute resolution process that would eliminate concerns about which contractors are selected.

PA-CLEEC's membership includes CBOs as well as for-profit weatherization and energy efficiency companies.<sup>1</sup> CBOs are not defined in Chapter 28 of the Public Utility Code, but generally a CBO is a public or private nonprofit organization of demonstrated effectiveness that represents a community and provides educational or other services to individuals in that community.<sup>2</sup> PA-CLEEC supports the comments of CEO and PA Weatherization Providers that recommended use of an RFP process and criteria that recognize and give weight to proposals from CBOs demonstrating integrated delivery of PPL Electric's WRAP and DCED's WAP program. Similarly, PA-CAUSE urged recognition in the RFP process of CBOs that provide

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<sup>1</sup> PA-CLEEC's CBO members include Community Action Committee of the Lehigh Valley, SEDA-COG, Action Housing, Erie County Housing Authority and Community Action Partnership for Somerset County (Tableland Services). For profit members of PA-CLEEC include K2 Weatherization, Inc., Green Kite, Inc., MT Weatherization, Inc., True Management, LLC, Harron's Insulation & Ceilings, Inc., Sellair, LLC, Hranec Insulation Corporation, The Village Green, LLC, York Home Performance, LLC, Positive Energy Consulting, LLC, Progressive Conservation, LLC and Bill Busters, Inc.

<sup>2</sup> According to 20 U.S.C. § 7801(6), the term "community-based organization" means a public or private nonprofit organization of demonstrated effectiveness that (a) is representative of a community or significant segments of a community; and (b) provides educational or related services to individuals in the community.

wrap-around services to the community. An objective and fair RFP criteria that gives weight in the evaluation process to contractor documentation of local ownership, local management and employed members of the local community, would also fulfill the objective of ensuring selected contractors are community based. The criteria should also give substantial weight to the prior work record of any contractor that competes for PPL Electric WRAP work, so that value is delivered to WRAP participants.

However, the Commission will never be able to evaluate if an RFP process is fair, or whether a reasonable number of CBOs were selected as WRAP contractors, if the RFP process, its criteria, its weighting of factors, its evaluations of proposals and scores continue to be non-transparent. Nor can an unreasonable element of an RFP process that skews the number or types of contractors selected, be modified, or eliminated if the Commission does not require that a dispute resolution procedure, with oversight by the Commission, be mandated for PPL Electric's WRAP RFP process.

The Commission should adopt PA-CLEEC's recommendations on the PPL Electric WRAP RFP process as detailed in its comments, to remedy its contractor selection concerns, as well as the similar concerns raised by CEO, PA Weatherization Providers and CAUSE-PA.

#### **IV. CONCLUSION**

PA-CLEEC respectfully requests that the Commission adopt its recommendations on WRAP budget and the PPL Electric RFP process, many of which were also supported by the other Commenting Parties and grant such other relief as may be just and reasonable.

Respectfully submitted,

BUCHANAN, INGERSOLL & ROONEY, PC

Dated: October 7, 2022

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