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February 15, 2024

VIA EFILING

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

Re: Initiative to Review and Revise the Existing Low-Income Usage Reduction

Program (LIURP) Regulations at 52 Pa. Code §§ 58.1-58.18;

Docket No. L-2016-2557886

Dear Secretary Chiavetta:

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

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

Very truly yours,

John F. Povilaitis

JFP/ja Enclosure

cc: Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Initiative to Review and Revise : Docket No. L-2016-2557886

the Existing Low-Income

Usage Reduction Program (LIURP) Regulations

at 52 Pa. Code §§ 58.1-58.18

REPLY TO COMMENTS OF THE PENNSYLVANIA COALITION OF LOCAL ENERGY EFFICIENCY CONTRACTORS, INC.

I. INTRODUCTION

The Pennsylvania Coalition of Local Energy Efficiency Contractors, Inc. ("PA-CLEEC"), is a non-profit entity composed of 14 local community-based contractors and community-based organizations ("CBOs"), specializing in the delivery of field work for public utility Universal Service Energy and Conservation Programs ("USECP") that benefit low-income customers of Electric Distribution Companies ("EDCs") and Natural Gas Distribution Companies ("NGDCs"). For decades, PA-CLEEC members have been the utility "boots on the ground" installing conservation and energy efficiency measures for customers participating in Pennsylvania Public Utility Commission ("PaPUC" or "Commission") Low-Income Usage Reduction Programs ("LIURP"). PA-CLEEC promotes: (i) the use of adequate LIURP budgets that make meaningful progress toward meeting low-income customers' needs, (ii) fair and transparent public utility request for proposal ("RFP") processes that support the delivery of energy efficiency and conservation services which create actual customer savings, and (iii) sensible, cost-effective program structures that work to benefit low-income customers. PA-CLEEC offers the following replies to comments for the Commission's consideration.

II. PA-CLEEC'S REPLY TO COMMENTS

A. Relationship between LIURP as Investment vs. CAP as Expense.

The Energy Association of Pennsylvania ("EAP") comments that "The Commission's suggested edits to the LIURP budget factors appear to treat utilities as social service agencies..." (EAP Comments, p. 13.). One does not have to agree with EAP's assertion to recognize that there is a more accurate thought model available to consider the relationship between Customer Assistance Programs ("CAP") and LIURP programs. PA-CLEEC submits to the Commission that it would be more useful to consider the relationship between these two Universal Service Programs in a more accounting-like manner: consider LIURP as investment and CAP as expense. The Commission should more aggressively lean into the idea that LIURPs are, in fact, investments that can reasonably be expected to reduce the expense of CAPs. The particulars of this accounting can be defined within USECPs, individually. The entire formulation comes together logically: LIURPs are (and should be) primarily about creating efficiencies: energy savings for payment-challenged low-income ratepayers yield lower bills for them which they can better afford, and in turn yield savings in CAP expenditures for the utilities and their residential ratepayers who are the source of the funding. These programs should work this way. From this premise it follows that the utilities would be allocating more of their USP budget dollars to LIURP, to in turn reduce their expenditures on CAP. We would think EAP would agree that it is *squarely within the purview* of a regulated utility to pursue greater efficiency in the application of residential ratepayer funds in these assistance programs, and indeed they do make (or imply) this argument fairly frequently. Increasing the number of customers served multiplied by higher performance LIURPs must be the most effective way to achieve greater savings for all parties involved - both in energy and dollars. Shifting some fraction of CAP budget to LIURP would appear to be consistent with EAP's perspective. Should EAP contend that LIURP savings just aren't great enough to make the equation work, PA-CLEEC's reply would be that as stewards of ratepayer funds, *solving that problem* should be of exceptionally high importance to the utilities: ensuring LIURPs reach the performance benchmark where "lift overcomes drag" and real savings against CAP expenses start accumulating

III. CONCLUSION

PA-CLEEC appreciates the opportunity to reply to comments on recommended amendments to the Commission's LIURP regulations at 52 Pa. Code §§ 58-1-58.18.

By:

Respectfully submitted,

BUCHANAN, INGERSOLL & ROONEY, PC

Dated: February 15, 2024

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VERIFICATION

I, Richard Rovegno, Acting Chairman of the Pennsylvania Coalition of Local Energy Contractors (PA-CLEEC), hereby verify that the information in the foregoing Comments of PA-CLEEC filed at Docket No. L-2016-2557886, is true and correct to the best of my information, knowledge and belief. I understand that the statements are made subject to the penalties of 18 Pa. C.S. Section 4904, relating to the unsworn falsification to authorities.

Signature . Sorregno

Dated: February 15, 2024

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of the foregoing document upon the persons

listed below in the manner indicated in accordance with the requirements of 52, PA. Code § 1.54.

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