

COMMONWEALTH OF PENNSYLVANIA



PATRICK M. CICERO
Consumer Advocate

OFFICE OF CONSUMER ADVOCATE
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
(800) 684-6560

 @pa_oca
 /pennoca
FAX (717) 783-7152
consumer@paoca.org
www.oca.pa.gov

April 3, 2024

Via Electronic Mail Only

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

Re: Petition of PECO Energy Company for
Approval of its Act 129 Phase IV Energy
Efficiency and Conservation Plan
Docket No. M-2020-3020830

Dear Secretary Chiavetta,

On March 4, 2024, PECO Energy Company (PECO or Company) filed its Petition for Approval of Changes to its Act 129 Phase IV Energy Efficiency and Conservation Plan (Petition). In its Petition, PECO proposes one major change to its Plan and five minor changes to its Plan. PECO avers that with the proposed changes the program will remain cost-effective with a Total Resource Cost (TRC) benefit of 1. Petition at 3.

For its major change, PECO proposes to transfer \$12.1 million from the Large C&I class to the Small C&I rate class to support higher than originally forecasted adopted of midstream point-of-sale (POS) measures by Small C&I customers. Petition, ¶¶ 17-21. PECO argues that actual expenditures for the Large C&I class have been substantially below the forecasts in the Company's plan due to market conditions, and supply chain delays for HVAC and non-lighting measures. Petition, ¶ 18. PECO states that actual expenditures for the small C&I class have been above the original forecast. Petition, ¶¶ 20-21.

PECO proposes minor changes to the residential customer program and the low-income Income Eligible Program to add new measures that the Company argues would improve program delivery. Petition, ¶¶ 31-33. The Company proposes several new measures such as window heat pumps and smart water controls that were interim measure protocols (IMPs) issued by the Statewide Evaluator (SWE) after approval of PECO's Phase IV Plan. Petition, ¶ 32. PECO argues that with the addition of the measures, the Company will be able to offer more specific rebate

Rosemary Chiavetta

April 3, 2024

Page 2

ranges instead of being limited to the general rebate range under the broad custom range. Petition, ¶ 32. In addition, PECO proposes other new measures that relate to different types of installations, such as dehumidifier recycling, that were previously addressed under the broad custom changes. Petition, ¶ 32. PECO also proposes to expand the eligible technologies for measures, broaden the incentive range for custom measures to accommodate new technologies and to consolidate some existing insulation measures to be consistent with the Technical Resource Manual. Petition, ¶ 33.

PECO also proposes the following minor changes to the non-residential customer programs: (1) transfer approximately \$1.5 million from the Large C&I budget in the non-residential program to the large C&I sector budget in the Large C&I sector budget in the residential program to support multi-family measures; (2) to transfer approximately \$8.4 million from the Large C&I customer class to the Small C&I customer class to support Street Lighting measures and (3) to transfer approximately \$99,000 from the Large C&I customer class to the Municipal Lighting customer class to support Street Lighting measures. Petition, ¶ 22-30.

Finally, PECO proposes minor changes to update the Plan Demand Reduction (PDR) values for the residential Home Energy Reports and the Income-Eligible customer program. PECO states that the existing PDR projections were developed before the SWE updated its Evaluation Framework to address the calculation of PDRs in the Phase IV programs. Petition, ¶¶ 34-37. The proposed change reduces the PDR from 43.95 MW to 24.50 MW for Residential HER and for Income Eligible HER the PDR would be reduced from 1.1663 MW 0.10 MW. Plan at 11-12.

Please allow this letter to serve as notice that the OCA does not oppose the proposed minor or major changes to PECO's EE&C Plan.

Copies of this letter have been served per the attached Certificate of Service. If you have any questions, please contact me at (717) 599-8954.

Respectfully submitted,

/s/ Christy M. Appleby
Christy M. Appleby
Senior Consumer Advocate
PA Attorney I.D. # 85824
CAppleby@paoca.org

Enclosures:

cc: Certificate of Service

CERTIFICATE OF SERVICE

Petition of PECO Energy Company :
for Approval of Act 129 Phase IV Energy :
Efficiency and Conservation Plan : Docket No. M-2020-3020830
:

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate’s Letter RE Non Opposition, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below. This document was filed electronically on the Commission’s electronic filing system.

Dated this 3rd day of April 2024.

SERVICE BY E-MAIL ONLY

Allison Kaster, Esquire
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120
akaster@pa.gov

Steven C. Gray, Esquire
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101-1923
sgray@pa.gov

Anthony Gay, Esquire
Jack R. Garfinkle, Esquire
PECO Energy Company
2301 Market Street
Legal Department S23-1
Philadelphia, PA 19103
anthony.gay@exeloncorp.com
jack.garfinkle@exeloncorp.com

Ria M. Pereira, Esquire
John W. Sweet, Esquire
Elizabeth R. Marx, Esquire
PA Utility Law Project
118 Locust Street
Harrisburg, PA 17101
rpereira@pautilitylawproject.org
jsweet@pautilitylawproject.org

Mark Szybist, Esquire
Natural Resources Defense Council
1152 15th Street NW
Suite 300
Washington, DC 20005
mszybist@nrdc.org

Catherine G. Vasudevan, Esquire
Kenneth M. Kulak, Esquire
Morgan Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
catherine.vasudevan@morganlewis.com
ken.kulak@morganlewis.com

SERVICE BY E-MAIL ONLY

Charis Mincavage, Esquire
Adeolu A. Bakare, Esquire
Jo-Anne Thompson, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
cmincavage@mcneeslaw.com
abakare@mcneeslaw.com
jthompson@mcneeslaw.com

Derrick Price Williamson, Esquire
Barry A. Naum, Esquire
Spilman Thomas & Battle, PLLC
100 Bent Creek Boulevard, Suite 101
Mechanicsburg, PA 17050
dwilliamson@spilmanlaw.com
bnaum@spilmanlaw.com

Joline R. Price, Esquire
Robert W. Ballenger, Esquire
Community Legal Services, Inc.
1424 Chestnut Street
Philadelphia, PA 19102
rballenger@clsphila.org
jprice@clsphila.org

James Van Nostrand, Esquire
Keyes & Fox LLP
275 Orchard Drive
Pittsburgh, PA 15228-2122
jvannostrand@keyesfox.com

/s/Christy M. Appleby
Christy M. Appleby
Senior Assistant Consumer Advocate
PA Attorney I.D. # 85824
CAAppleby@paoca.org

Counsel for:
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
717-783-5048

Dated: April 3, 2024