



COMMONWEALTH OF PENNSYLVANIA

April 22, 2025

E-FILED

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Energy Efficiency and Conservation Program / Docket No. M-2025-3052826

Dear Secretary Homsher:

Enclosed please find the Reply Comments to the Tentative Implementation Order, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-referenced proceeding.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Steven C. Gray

Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures

cc: Kevin Higgins
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Energy Efficiency and Conservation : Docket No. M-2025-3052826
Program :

**REPLY COMMENTS OF THE
OFFICE OF SMALL BUSINESS ADVOCATE**

Respectfully submitted,

/s/ Steven C. Gray _____

Steven C. Gray

Senior Attorney

Assistant Small Business Advocate

Office of Small Business Advocate

Attorney ID No. 77538

For:

NazAarah Sabree

Small Business Advocate

Commonwealth of Pennsylvania
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101

Date: April 22, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Energy Efficiency and Conservation : Docket No. M-2025-3052826
Program :

**REPLY COMMENTS OF THE
OFFICE OF SMALL BUSINESS ADVOCATE**

The Office of Small Business Advocate (OSBA) continues to support the Pennsylvania Public Utility Commission’s (Commission) Tentative Implementation Order for Phase V of the Act 129 Energy Efficiency and Conservation (EE&C) program.

Program Budget Context

The Tentative Implementation Order cites Act 129, which states: “The total cost of any plan required under this section shall not exceed two percent of the electric distribution company’s revenue as of December 31, 2006.” The Order further notes that this budget cap is not adjusted for inflation and that previous phases of Act 129 have consistently used the same nominal budget limit based on 2006 revenues.

Stakeholder Concerns and Recommendations

Several stakeholders raised concerns about the proposed budget, particularly the absence of inflation adjustments. Both the Northeast Energy Efficiency Partnerships (NEEP) and the Clean Energy Advocates recommend increasing the spending cap to reflect inflation. NEEP notes that inflation between 2006 and 2025 amounts to 52%, which would equate to a revised budget of approximately \$1.85 billion — roughly \$600 million more than the proposed \$1.22 billion.¹

¹ NEEP Comments April 7, 2025, page 2.

OSBA's Position

The OSBA opposes proposals to raise the budget to reflect inflation, because of the substantial impact such an increase would have on customers. The OSBA stresses the importance of balancing the benefits of EE&C programs with the financial burden on ratepayers. A 52% budget increase would impose an excessive cost on consumers. Therefore, the OSBA supports maintaining the current budget proposed in the Tentative Implementation Order and recommends that all proposals to increase the budget be rejected.

Respectfully submitted,

/s/ Steven C. Gray_____

Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney I.D. 77538

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Office of Small Business Advocate
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Energy Efficiency and Conservation :
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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

SERVICE OF WORD VERSION ONLY VIA EMAIL

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Date: April 22, 2025

/s/ Steven C. Gray
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