



January 18, 2026

Matthew L. Homsher, Secretary
Commonwealth Keystone Building
Second Floor
400 North Street
Harrisburg, Pennsylvania 17120

RE: Petition of FirstEnergy Pennsylvania Electric Company for Approval of a Phase V Energy Efficiency and Conservation - Docket No. M-2025-3057327

Dear Secretary Homsher,

Uplight appreciates the opportunity to provide these comments on FirstEnergy Pennsylvania's Petition for approval of their Phase V Energy Efficiency and Conservation Plan filed on November 26, 2025.

Respectfully submitted,

/s/ Adam Farabaugh

Adam Farabaugh
Director, Market Development
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BEFORE THE PUBLIC SERVICE COMMISSION

Petition for Approval of the Phase V)
Energy Efficiency and Conservation) **Docket No. M-2025-3057327**
Plan of FirstEnergy Pennsylvania)
Electric Company)

January 18, 2026

UPLIGHT COMMENTS

Pursuant to the PETITION OF FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY FOR APPROVAL OF A PHASE V ENERGY EFFICIENCY AND CONSERVATION PLAN filed on November 26, 2025, and the Secretarial Letter filed on December 18, 2025, stating that “any public comments for each EDC’s proposed Phase V EE&C Plan shall be submitted by January 18, 2026 (originally due January 12, 2026).”, Uplight appreciates the opportunity to provide these comments regarding Phase V of the Energy Efficiency and Conservation Program of FirstEnergy. Uplight is a registered Conservation Service Provider (CSP) in the state of Pennsylvania and is a software provider to electric and gas utilities across North America for energy efficiency and demand response programs across the residential and commercial sectors. Given the new framework for peak demand reduction programs outlined in the Implementation Order¹ issued on June 18, 2025, and Uplight’s interests and expertise, we will provide comments in regard to FirstEnergy’s proposed Daily Load Shifting (DLS) and Peak Demand Reduction (PDR) Product within the Residential Energy Solutions program.

Introduction

Prior to addressing specific components of FirstEnergy’s Phase V Plan, we believe it is important to address the Commission’s Implementation Order and the new framework for peak demand reduction programs that all Electric Distribution Companies (“EDCs”) in Pennsylvania are now required to follow. This framework represents a novel approach to both the implementation and measurement of peak demand reduction. To our knowledge, there are no other comparable regulatory frameworks of this nature currently in place elsewhere in the country. While this structure has several positive attributes, it also introduces new uncertainties and operational

¹ <https://www.puc.pa.gov/pcdocs/1883669.pdf>

challenges associated with implementing programs in a manner that reliably achieves the stated policy objectives.

Regulated utilities, both in Pennsylvania and across the United States, operate within an environment that requires them to comply with the regulatory requirements bestowed upon them while also delivering the outcomes needed for the grid. In theory, perfect regulation would align specifically with the physical and operational needs of the electric grid. The greater this gap, the greater the inefficiencies in delivering affordable, reliable, and safe power to customers.

Historically, peak demand reduction programs have been designed to align directly with grid needs by delivering load reductions explicitly during periods of peak system stress and at no other times. By contrast, the framework established by the Implementation Order requires peak load reductions to be delivered across a large number of pre-defined hours, including periods when the grid may not be experiencing material stress. This approach necessarily increases both program complexity and customer burden. Every instance in which a customer is asked to modify behavior or a connected technology is instructed to shift or curtail load, carries a cost, measured not only in program dollars, but also in customer effort, inconvenience, and potential discomfort.

The ability to deliver cost-effective peak demand reduction programs that align with the physical needs of the grid ultimately depends on two factors: sustained customer participation and the ability to reliably forecast load reduction performance. Under the approximately 400 hour construct established by the Implementation Order, forecasting customer behavior becomes a significantly larger source of uncertainty, as customers' responses may evolve over time across a broad range of operating conditions. Given this uncertainty, we believe it is appropriate, and necessary, for FirstEnergy to be afforded greater flexibility in program implementation, including the ability to scale customer participation levels by measure type and to adjust incentive levels beyond those initially proposed, as performance data becomes available.

Modern demand response platforms, including Uplight's Distributed Energy Resource Management System (DERMS), are capable of delivering event level performance results within a day, and in many cases within hours, provided that appropriate AMI or device level telemetry data is available. This near real-time feedback enables utilities to identify underperforming measures, technologies, or customer segments quickly and to make informed program adjustments without waiting for periodic third-party evaluations. Providing FirstEnergy with the

flexibility to leverage these capabilities will materially improve its ability to manage performance risk and reliably deliver the peak load reductions required to meet the Commission's objectives.

Connected Device Daily Load Shifting and Peak Demand Reduction

We commend FirstEnergy for including both a Daily Load Shifting ("DLS") component and a Peak Demand Reduction ("PDR") component within the Connected Devices subcomponent of the Residential Energy Solutions Program. The technology enabled DLS construct, first introduced in the Phase V Demand Response Potential Study², represents a new and innovative approach to delivering peak demand reductions. While this approach has the potential to produce meaningful load impacts, its novelty introduces additional uncertainty with respect to reliably achieving the expected summer and winter megawatt reductions.

To mitigate this risk, we believe it is important that FirstEnergy continue to also rely on technology pathways that are proven, well understood, and implemented at scale. Traditional residential smart thermostat demand response programs, which deliver load reductions during periods of system peak, have been successfully deployed across the country for many years and have demonstrated consistent, verifiable performance. These programs provide a complementary and lower-risk foundation upon which newer approaches such as DLS can be layered. Importantly, these connected device programs are automated and once a customer is enrolled, do not require continued customer action which is critical given the high, ~400 hours, number of load reduction hours over the course of a year.

We also note that the thermostat based DLS approach does not include a direct dollar incentive for customer participation. From our perspective, it is critical that customers be appropriately compensated for the value they provide to the utility and the grid. Traditional smart thermostat demand response programs allow customers to affirmatively choose to participate and to receive compensation for delivered load reductions, creating a clear value proposition and supporting sustained engagement. Maintaining this optional, incentive-based participation pathway alongside DLS will strengthen program performance, improve customer retention, and reduce overall portfolio risk.

² <https://www.puc.pa.gov/pcdocs/1867287.pdf>

Multiple Technologies as Part of the Connected Devices Subcomponent

We commend FirstEnergy for including multiple technology pathways within the DLS and PDR program components. In the residential sector, the Plan appropriately incorporates controllable technologies such as smart thermostats, electric vehicles, and battery storage. In the commercial and industrial sector, the Plan similarly includes electric vehicles, battery storage, and a custom demand response pathway. Collectively, these technologies represent the largest and most flexible controllable electric loads in homes and businesses, and they are well suited for integration through modern demand response and Distributed Energy Resource Management System (DERMS) platforms.

These platforms enable secure, automated dispatch by integrating directly with original equipment manufacturers (“OEMs”), allowing load reductions to be delivered consistently and at scale. Importantly, the inclusion of multiple device types enhances the reliability of delivered megawatts across a wide range of operating conditions. Load reductions can be achieved during hot or cold weather, as well as during cloudy or sunny conditions, reducing dependence on any single technology’s performance profile.

Given the large number of hours over which peak demand reductions are required under the Commission’s framework, this multi-technology approach is especially critical. No single measure, household, or business performs exactly as forecasted across all hours, weather conditions, or seasons. However, when aggregated across thousands of devices, homes, and businesses, performance variability is substantially reduced, enabling more accurate forecasting, more predictable dispatch, and lower overall portfolio risk. This diversified technology strategy materially improves FirstEnergy’s ability to deliver sustained and reliable peak demand reductions over the Phase V period.

Behavioral Demand Response Subcomponent

We support FirstEnergy’s use of behavioral Daily Load Shifting and behavioral demand response as a foundational element of the DLS & PDR portfolio, given its ability to reach a broad customer population quickly and cost-effectively. At the same time, we caution that behavioral programs, particularly when relied upon for delivery across approximately 400 annual performance hours, must be carefully managed to avoid customer fatigue and diminishing

marginal response. Experience across multiple jurisdictions shows that sustained behavioral performance is strongest when paired with automation, varied engagement strategies, and complementary technologies that reduce the burden on customers. Further, behavioral response often increases when a dollar incentive is tied to demand reductions. We view Behavioral Demand Response as an important DR program type in a broader DR portfolio as it is a great entry point for customers into load response while also being a great stepping stone to automated programs so that continued, manual action, is not required and load reductions are more easily forecasted and delivered. FirstEnergy's inclusion of multiple resource types alongside behavioral DR appropriately mitigates this risk and provides alternative, more advanced pathways to meet MW targets if behavioral response were to attenuate over time.

“Up To” Incentive Structure

We commend FirstEnergy's use of the “up to” incentive structure for the DLS and PDR measures, which provide the Company with necessary latitude to adjust incentive levels based on customer adoption rates, market conditions, and realized performance. This approach aligns with leading utility programs in other jurisdictions, where flexible incentive ranges have proven essential to maintaining participation while managing cost-effectiveness. Given the significant difference between traditional event-based DR programs and FirstEnergy's proposed ~400 annual daily load shifting hours, rigid incentive designs would introduce unnecessary risk. FirstEnergy should also be given an easy pathway to increasing incentive amounts above what was proposed for measures with slow adoption rates provided other means such as targeted marketing and cross-promotion have been exhausted. Flexible incentive frameworks allow the Company to calibrate customer value propositions as program intensity and duration become clearer through implementation.

Short Timeline and Realistic Ramp Expectations

We acknowledge the compressed timeline between when Phase V approval would occur and the June 1, 2026, the Phase V start date. We also acknowledge the construct outlined in the Implementation Order for peak demand measurement which allows for a slower ramp up in the

first year of Phase V. We believe FirstEnergy's phased approach to scaling up measures appropriately balances urgency with operational realism and reduces the risk of overcommitting early performance expectations. This measured ramp strategy is consistent with best practices observed in other large scale DR deployments and supports long-term reliability outcomes. Also, implementing software solutions such as Uplight's DERMS platform can be turned on and scaled up relatively quickly but things like contracting, marketing materials, and customer education and enrollment do require time investment.

Conclusion

In closing, we believe FirstEnergy's proposed Daily Load Shifting and Peak Demand Reduction programs represent a thoughtful, well-structured, and forward-looking response to the Commission's Phase V Implementation Order despite the ~400 hour construct being novel and more challenging to comply with. The Plan appropriately recognizes both the opportunities and operational realities associated with delivering peak demand reductions across an expanded number of performance hours and it leverages modern technologies and program designs that are capable of scaling to meet these requirements. Continued success, however, will depend on maintaining sufficient flexibility to adapt program components, participation levels, and incentive structures as real-world performance data becomes available. We respectfully encourage the Commission to support FirstEnergy's portfolio-based, data-driven approach and to allow the Company the operational latitude necessary to manage uncertainty, mitigate performance risk, and reliably deliver the peak demand reductions required to support system reliability and customer value throughout the Phase V period.

Overview of Uplight

Uplight is a technology provider to over 80 electric and gas utilities across three continents providing utility customer engagement, energy efficiency, and grid-edge asset management software solutions to help utilities achieve their goals. Collectively, Uplight manages over 5 GWs of flexible capacity across multiple device classes enabling entities to effectively manage their DER assets inside and outside of wholesale markets. Uplight implements solutions including Behavioral Home Energy Reports, Online Energy Usage Portals, Online Utility Marketplaces, Electric Vehicle Charging Data Management, and both residential and commercial demand response programs. Additionally, with utilities across the country, Uplight implements DER

management solutions connecting behind the meter resources to the grid control room and other backend utility systems keeping the grid powered up reliably and cost effectively.