

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120**

Public Meeting held March 26, 2026

Commissioners Present:

Stephen M. DeFrank, Chairman
Kimberly Barrow, Vice Chair, Statement
Kathryn L. Zerfuss
John F. Coleman, Jr.
Ralph V. Yanora

Petition of PPL Electric Utilities
Corporation for Approval of its Act 129
Phase V Energy Efficiency and
Conservation Plan

M-2025-3057329

OPINION AND ORDER

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BY THE COMMISSION:

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the Petition of PPL Electric Utilities Corporation (PPL or the Company) for approval of its Act 129 Phase V Energy Efficiency and Conservation (EE&C) Plan (EE&C Plan or Plan), filed on December 1, 2025 (Petition). Also before the Commission for consideration and disposition is the Joint Petition for Settlement of All Issues (Joint Petition or Settlement), filed on February 13, 2026, by PPL, the Office of Consumer Advocate (OCA), the Office of Small Business Advocate (OSBA), the Commission of Economic Opportunity (CEO), the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), and the Sustainable Energy Fund (SEF) (collectively, Joint Petitioners).¹ On February 24, 2026, Administrative Law Judges (ALJs) Steven K. Haas and Emily A. Farren certified the record in this proceeding. For the reasons fully delineated herein, we shall: (1) grant the Joint Petition, and thereby, approve the Settlement, without modification; and (2) grant PPL's Petition, and thereby approve the Phase V Plan, as modified by the terms and conditions of the Settlement, consistent with the discussion in this Opinion and Order.

I. Background

A. Act 129

On October 15, 2008, House Bill 2200 was signed into law as Act 129 of 2008 (Act 129 or Act) and became effective on November 14, 2008. Among other requirements, Act 129 directed the Commission to adopt an EE&C Program, codified in the Pennsylvania Public Utility Code (Code) at Sections 2806.1 and 2806.2, 66 Pa.C.S.

¹ Additionally, PP&L Industrial Customer Alliance (PPLICA) and the Keystone Energy Efficiency Alliance (KEEA) intervened in this proceeding. Neither are Parties to the Settlement. However, both indicated that they do not oppose the Settlement. *See* Settlement at 1, n.1.

§§ 2806.1 and 2806.2, under which each of the Commonwealth's largest electric distribution companies (EDCs) was required to implement a cost-effective EE&C plan to reduce energy consumption and demand.

Specifically, Act 129 required each EDC with at least 100,000 customers to adopt an EE&C plan to reduce energy demand and consumption within its service territory. Initially, Act 129 required each affected EDC to adopt an EE&C plan to reduce electric consumption by at least 1% of its expected consumption for June 1, 2009 through May 31, 2010, by May 31, 2011. By May 31, 2013, the total annual weather-normalized consumption was to be reduced by a minimum of 3%. Also, by May 31, 2013, peak demand was to be reduced by a minimum of 4.5% of each EDC's annual system peak demand in the 100 hours of highest demand, measured against the EDC's peak demand during the period of June 1, 2007 through May 31, 2008.

The Act required the Commission to develop and adopt an EE&C Program by January 15, 2009 and set out specific issues the EE&C Program must address.

66 Pa.C.S. § 2806.1(a). The Commission's EE&C Program was to include the following:

- (1) A procedure for approving EE&C plans.
- (2) A process to evaluate and verify the results of each EE&C Plan and the EE&C Program as a whole.
- (3) A process to analyze the costs and benefits of each EE&C Plan in accordance with a total resource cost (TRC) Test.
- (4) A process to analyze how the EE&C Program as a whole and each EE&C Plan will enable the EDCs to meet or exceed the consumption and peak demand reduction (PDR) requirements.
- (5) Standards to ensure that each EE&C plan uses a variety of measures that are applied equitably to all customer classes.

- (6) A process through which recommendations can be made for the employment of additional measures.
- (7) A procedure to require and approve the competitive bidding of all contracts with conservation service providers (CSPs).
- (8) A procedure through which the Commission will review and modify, if necessary, all contracts with CSPs prior to execution.
- (9) A requirement for the participation of CSPs in the implementation of all or part of an EE&C plan.
- (10) A procedure to ensure compliance with the requirements of Sections 2806.1(c) & (d).
- (11) A cost recovery mechanism to ensure that measures approved are financed by the customer class that directly receives the energy and conservation benefits.

On January 15, 2009, the Commission adopted a Final Implementation Order at Docket No. M-2008-2069887 (*Phase I Implementation Order*), which established the standards each plan must meet, and which provided guidance on the procedures to be followed for submittal, review, and approval of all aspects of the EE&C plans, in compliance with Section 2806.1(a) of the Code, 66 Pa.C.S. § 2806.1(a). In addition to adopting the *Phase I Implementation Order*, the Commission also adopted orders implementing specific and essential components of the EE&C Program to include

the establishment of a TRC Test,² updates to the Technical Reference Manual (TRM)³ and the establishment of a Statewide Evaluator (SWE). The Commission subsequently approved a Phase I EE&C plan (and, in some cases, modifications to the plan) for each affected EDC.

Another requirement of Act 129 directed the Commission to evaluate the costs and benefits of the Commission's EE&C Program and of the EDCs' approved EE&C plans by November 30, 2013, and every five years thereafter. The Act provided that the Commission must adopt additional incremental reductions in consumption and peak demand if it determines that the benefits of the EE&C Program exceed its costs.

Consistent with the above, on August 3, 2012, the Commission issued its second EE&C Plan Implementation Order at Docket Nos. M-2012-2289411 and M-2008-2069887 (*Phase II Implementation Order*), which established required standards for Phase II EDC EE&C plans (including the additional incremental reductions in consumption that each EDC must meet) and provided guidance on the procedures to be followed for submittal, review, and approval of all aspects of the EDCs' Phase II EE&C plans. Within the *Phase II Implementation Order*, the Commission tentatively adopted EDC-specific consumption reduction targets to be met by May 31, 2016. The

² See *Implementation of Act 129 of 2008 – Total Resource Cost (TRC) Test Order*, Docket No. M-2009-2108601 (Order entered June 23, 2009). Available online at: <https://www.puc.pa.gov/pcdocs/1057172.docx>. The most recent modification to the TRC test was by the Commission's Final Order entered on November 7, 2024 at Docket No. M-2024-3048998, providing comprehensive guidance on all aspects of Act 129 benefit-cost calculations for Phase V of Act 129. See *2026 Total Resource Cost (TRC) Test*, Docket No. M-2024-3048998 (Final Order entered November 7, 2024) (*2026 TRC Test Order*). Available online at: <https://www.puc.pa.gov/pcdocs/1855583.pdf>.

³ See *Implementation of the Alternative Energy Portfolio Standards Act of 2004: Standards for the Participation of Demand Side Management Resources – Technical Reference Manual Update Order*, Docket No. M-00051865 (entered June 1, 2009). Available online at: <https://www.puc.pa.gov/pcdocs/1043608.doc>

Commission subsequently approved a Phase II EE&C Plan (and, in some cases, modifications to the plan) for each affected EDC.

On March 11, 2015, the Commission issued a Tentative Implementation Order (*Phase III Tentative Implementation Order*) at Docket No. M-2014-2424864 for Phase III of the EE&C Program. Following the submittal and review of comments, on June 19, 2015, the Commission issued a Final Implementation Order at that same docket number for Phase III of the EE&C Program (*Phase III Implementation Order*). The Commission determined in its *Phase III Implementation Order* that additional reductions in consumption and peak demand were cost-effective and therefore prescribed reductions in consumption and peak demand targets to be met by May 31, 2021. The Commission subsequently approved a Phase III EE&C Plan (and, in some cases, modifications to the plan) for each affected EDC. On August 20, 2015, the Commission issued a *Phase III Clarification Order* in response to several Petitions for clarification of the *Phase III Implementation Order*.

On March 12, 2020, the Commission issued a Tentative Implementation Order at Docket No. M-2020-3015228 (*Phase IV Tentative Implementation Order*) for Phase IV of the EE&C Program. Following the submittal and review of comments, on June 18, 2020, the Commission issued a Final Implementation Order at that same docket number (*Phase IV Implementation Order*). Therein, the Commission determined that additional reductions in consumption and peak demand were cost-effective and therefore prescribed reductions in consumption and peak demand targets to be met by May 31, 2026. The targets for peak demand were based on the expected PDRs from energy efficiency (EE), rather than dispatchable demand response (DDR) programs. The

Commission subsequently approved a Phase IV EE&C Plan (and, in some cases, modifications to the plan) for each affected EDC.⁴

On February 20, 2025, the Commission issued a Tentative Implementation Order (*Phase V Tentative Implementation Order*) at Docket No. M-2025-3052826 for Phase V of the EE&C Program. Following the submittal and review of comments, on June 18, 2025, the Commission issued a Final Implementation Order at that same docket number (*Phase V Implementation Order*). Among other things, the *Phase V Implementation Order* established standards each plan must meet, including consumption reduction and demand reduction targets, and provided guidance on the procedures to be followed for submittal, review, and approval of all aspects of the EDCs' EE&C plans for the period from June 1, 2026 through May 31, 2031. The Commission directed that the EDCs file their Phase V plans by no later than November 30, 2025. *Phase V Implementation Order* at 197-98.⁵

⁴ On March 25, 2021, the Commission entered an Opinion and Order approving PPL's Phase IV EE&C Plan, with modifications. *See Petition of PPL Electric Utilities Corporation for Approval of its Act 129 Phase IV Energy Efficiency and Conservation Plan*, Docket No. M-2020-3020824 (Opinion and Order entered March 25, 2021) (*March 2021 Order*). Pursuant to the *March 2021 Order*, PPL submitted a compliance filing on May 24, 2021. Further modifications to PPL's Phase IV EE&C Plan have since been approved. *See Petition of PPL Electric Utilities Corporation for Approval of Changes to Its Act 129 Phase IV Energy Efficiency and Conservation Plan*, Docket No. M-2020-3020824 (Orders entered April 27 and August 24, 2023); *Petition of PPL Electric Utilities Corporation for Approval of a Change to Its Act 129 Phase IV Energy Efficiency and Conservation Plan*, Docket No. M-2020-3020824 (Opinion and Order entered April 25, 2024); *Petition of PPL Electric Utilities Corporation for Approval of a Minor Change to its Act 129 Phase IV Energy Efficiency and Conservation Plan*, Docket No. M-2020-3020824 (Opinion and Order entered March 27, 2025).

⁵ Because November 30, 2025 was a Sunday, the actual deadline for the filing of Phase V EE&C Plans was on the next business day, Monday December 1, 2025.

On July 3, 2025, CAUSE-PA and the Tenant Union Representative Network (TURN) (collectively CAUSE-PA/TURN) filed a Petition seeking reconsideration, clarification, and modification of the *Phase V Implementation Order* regarding the process, timeline, and standards for the submittal, review, approval, and any potential changes of the Phase V EE&C plans. On September 4, 2025, the Commission entered an Opinion and Order (*September 2025 Order*) which, *inter alia*, granted the Petition of CAUSE-PA/TURN and revised the program planning timeline set forth in the *Phase V Implementation Order*.⁶

B. Description of the Company

PPL is a “public utility” and an EDC, as defined in Sections 102 and 2803 of the Code, 66 Pa.C.S. §§ 102, 2803. PPL furnishes electric service to approximately 1.5 million customers throughout its certificated service territory, which includes all or portions of 29 counties and encompasses approximately 10,000 square miles in eastern and central Pennsylvania. Petition at 2.

II. History of the Proceeding

In the *Phase V Implementation Order*, we adopted an EE&C plan approval process, identical to that set forth in Phases II, III, and IV of the EE&C Program, that included the publishing of a notice of each proposed plan in the *Pennsylvania Bulletin*

⁶ On December 18, 2025, the Commission issued a Secretarial Letter (*December 2025 Secretarial Letter*) to All Parties of Record explaining that although the *September 2025 Order* provided for, *inter alia*, the Commission to publish a notice of each EDC’s proposed Phase V EE&C Plan in the *Pennsylvania Bulletin* on December 13, 2025, such publication did not occur on this date due to administrative error. Therefore, the Commission explained that such publication would occur on January 3, 2026. As a result of this delay in publication, the Commission revised certain other deadlines previously established in the *September 2025 Order*. *December 2025 Secretarial Letter* at 1-2.

within twenty days of the filing of the plan, as well as the posting of each proposed plan on the Commission's website. Answers, along with comments and recommendations, were to be filed within twenty days of the publication of the notice in the *Pennsylvania Bulletin*. We also directed each EDC to file its Phase V EE&C plan by November 30, 2025,⁷ and further directed that each plan was to be assigned to an ALJ for an evidentiary hearing within sixty-five days after the plan was filed, after which, the Parties had ten days to file briefs. The EDC then had ten days to submit a revised plan or reply comments, or both. The presiding ALJ was directed to then certify the record to the Commission. We noted that the Commission would approve or reject all or part of each EDC's plan at a public meeting in March 2026, within 120 days of the plan filing. *Phase V Implementation Order* at 191-93, 195, 197-98.

As previously noted, on September 4, 2025, we entered the *September 2025 Order* which, *inter alia*, revised the program planning timeline set forth in the *Phase V Implementation Order*. More specifically, we modified our *Phase V Implementation Order* by:

1. Setting a firm deadline of December 13, 2025 for publishing each EDC's Phase V EE&C plan in the *Pennsylvania Bulletin* in order to provide stakeholders with certainty.
2. Running public comment and litigation tracks concurrently, but separately, consistent with other Commission proceedings.
3. Setting other deadlines and requirements as follows:
 - Thirty (30) days for public comment (to avoid holiday conflicts).

⁷ As previously noted, because November 30, 2025 was a Sunday, the actual deadline for the filing of Phase V EE&C Plans was on the next business day, Monday December 1, 2025.

- Ten (10) days for Answers and Petitions to Intervene.
 - Requiring EDCs to serve plans to stakeholders upon filing.
 - Referring plans immediately to the Office of Administrative Law Judge, with Prehearing Conferences by January 6, 2026.
4. Allowing discovery to begin with Petitions to Intervene (or expedite intervention reviews) and shortening discovery responses to ten (10) calendar days.

September 2025 Order at 11-12.

Additionally, as noted above, on December 18, 2025, the Commission issued the *December 2025 Secretarial Letter* to All Parties of Record explaining that although the *September 2025 Order* provided for, *inter alia*, the Commission to publish a notice of each EDC's proposed Phase V EE&C plan in the *Pennsylvania Bulletin* on December 13, 2025, such publication did not occur on this date due to administrative error. Therefore, the Commission explained that such publication would occur on January 3, 2026. As a result of this delay in publication, the Commission revised certain other deadlines previously established in the *September 2025 Order*. Namely, we specified that Answers and Petitions to Intervene for each EDC's proposed Phase V EE&C plan, which were originally due on December 23, 2025, were to be filed no later than January 5, 2026. We also directed that any public comments for each EDC's proposed Phase V EE&C plan, which were originally due on January 12, 2026, were to be submitted no later than January 20, 2026. We further explained that all other procedures and timelines set forth in the *Phase V Implementation Order*, as revised by the *September 2025 Order*, and not modified above, were to remain as previously established, including, but not limited to, the Prehearing Conferences for each EDC's proposed Phase V EE&C Plan, which were to occur by January 6, 2026. *December 2025 Secretarial Letter* at 1-2.

PPL timely filed a Petition for approval of its Act 129 Phase V EE&C Plan on December 1, 2025. Notice of the filing was published in the *Pennsylvania Bulletin* on January 3, 2026, at 56 *Pa. B.* 156. Additionally, the Company's Joint Petition and Plan were posted on the Commission's website at <https://www.puc.pa.gov/filing-resources/issues-laws-regulations/act-129/energy-efficiency-and-conservation-eecc-program/>. The Petition and Plan were assigned to ALJs Haas and Farren.

On December 2, 2025, CAUSE-PA filed a Petition to Intervene and an Answer.

On December 4, 2025, SEF filed a Petition to Intervene. Also, on December 4, 2025, the OSBA filed a Notice of Appearance. On December 19, 2025, the OSBA filed a Notice of Intervention and Public Statement.

On December 8, 2025, the OCA filed a Notice of Appearance. On December 11, 2025, the OCA filed a Notice of Intervention and Public Statement.

On December 17, 2025, CEO filed a Petition to Intervene.

On December 31, 2025, PPLICA filed a Petition to Intervene. Also, on December 31, 2025, a Telephonic Prehearing Conference Notice was issued, scheduling a prehearing conference for January 6, 2026.

On January 6, 2026, KEEA filed a Petition to Intervene and an Answer.

Also on January 6, 2026, ALJs Haas and Farren conducted a Telephonic Prehearing Conference, as scheduled. Counsel for PPL, the OCA, the OSBA, CAUSE-PA, SEF, CEO, PPLICA, and KEEA participated in the hearing.

A Prehearing Order, entered January 8, 2026, memorialized the matters decided and agreed upon by the Parties attending the prehearing conference, including a litigation schedule and discovery rule modifications. Also on January 8, 2026, the Commission issued a Hearing Notice scheduling an evidentiary hearing for February 3, 2026.

On January 16, 2026, the OCA, the Coalition for Equitable Energy and Housing in Pennsylvania (CEEH-PA), and a coalition of environmental, energy efficiency, consumer, housing, business, and faith-based organizations (collectively, the Energy Advocates) filed comments to the Phase V EE&C Plan. On January 18, 2026, the Rocky Mountain Institute (RMI)⁸ and the Clean Air Council filed comments on the Phase V Plan.

On February 2, 2026, PPL's counsel emailed the ALJs, advising that all Parties agreed to waive cross-examination and that the Parties reached a settlement in principle.

On February 3, 2026, the evidentiary hearing was conducted as scheduled. Counsel for PPL, the OCA, the OSBA, CAUSE-PA, SEF, CEO, PPLICA, and KEEA participated in the hearing. PPL, the OCA, the OSBA, CAUSE-PA, SEF, and KEEA moved for the admission of pre-served testimony and exhibits. The ALJs instructed the Parties to file all appropriate settlement documents on or before February 13, 2026.

On February 13, 2026, PPL, the OCA, the OSBA, CEO, CAUSE-PA, and SEF filed the Joint Petition. Each Joint Petitioner submitted a Statement in Support of

⁸ RMI is an independent, non-partisan, non-profit organization whose mission is to transform the global energy system to secure a clean, prosperous, zero-carbon future for all.

the Settlement. *See* Joint Petition, Appendices A-F. Appendix G to the Joint Petition is a letter indicating that PPLICA does not oppose the Joint Petition.

On February 24, 2026, the Commission issued ALJs Haas and Farren’s Order Certifying Record to the Commission (*Certification Order*).⁹

III. Description of the Plan and the Joint Petition

As noted above, the Joint Petition was filed on February 13, 2026, resolving all issues. The Plan, as proposed by the Company, and the terms and conditions of the Settlement are summarized below.

A. The Plan¹⁰

In its Petition, PPL states that its Phase V EE&C Plan, which will operate over a five-year period from June 1, 2026 through May 31, 2031, includes a portfolio of cost-effective programs that meet customers’ needs, while achieving the Company’s Phase V energy consumption and peak demand reduction targets and complying with the other requirements of Act 129, as well as the relevant Commission Orders for Phase V (*i.e.*, the *Phase V Implementation Order* and the *2026 TRC Test Order*). The Company represents that its portfolio is structured to remain sufficiently flexible to respond to evolving market conditions while maintaining compliance with all mandated targets. Petition at 6-8. The Company further explains that it developed the portfolio through a

⁹ Pages 3 through 7 of the *Certification Order* provide the complete list of documents that comprise the evidentiary record in this proceeding.

¹⁰ The Phase V EE&C Plan is included as PPL Exhibit 1 in Attachment A, which is appended to the Company’s Petition. Attachment B to the Petition contains copies of the Company’s direct testimony and exhibits.

multi-year, data-driven process, incorporating information from the SWE's Phase V studies, competitive CSP proposals, and stakeholder engagement. *Id.* at 9-10.

The Phase V EE&C Plan is comprised of three programs and their components that include a range of energy efficiency programs geared toward all customer classes in PPL's service territory. Specifically, these programs are: (1) the Residential Energy Efficiency Program; (2) the Resource Constrained (Low-Income) Program; and (3) the Business (Non-Residential) Energy Efficiency Program. These three programs collectively provide nine components or opportunities for participation, summarized, as follows:

(1) Residential Program

- Energy Efficient Homes
 - Incentive for high-efficiency heating and cooling systems, water heating equipment, smart thermostats, insulation, air sealing, appliances, and other home performance measures.
 - The Company indicates that this component builds upon offerings delivered in Phase IV and is available to residential customers and, where appropriate, to other customer sectors that may benefit from residential end-use measures.
- Appliance Recycling
 - Incentives for removal and environmentally responsible recycling of refrigerators, freezers, room air conditioners, dehumidifiers, and other qualifying appliances.
 - The Company indicates that this is a continuation of prior-phase offerings.
- Student Energy Efficiency Education
 - Provides energy efficiency education and kits to students in grades K-12.
 - The Company indicates that this is a continuation of prior-phase offerings.

- Persistent Demand Response
 - A new offering in Phase V, designed to reduce electric system demand during defined peak periods through thermostat optimization, managed electric vehicle charging, and battery storage integration.
 - PPL estimates that approximately 1.2 million residential customers may be eligible to participate.

See EE&C Plan at 1, 16, 28-30, 53, 60, 69; PPL St. 1 at 8-9.

(2) Resource Constrained (Low-Income) Program

- Energy Efficient Homes
 - Provides in-home or virtual assessments for income-eligible households, with a focus on comprehensive measures, including appliance replacement, HVAC improvements, and building shell upgrades.
 - The Company states that it will offer multifamily energy assessments to ensure that eligible tenants in multifamily housing have access to comparable measures.
- Appliance Recycling
 - Mirrors Residential Program’s appliance recycling component for income-eligible households and multifamily building owners serving income-eligible tenants.
- Student Energy Efficiency Education
 - Provides energy efficiency education and kits to income-eligible students in grades K-12.

See EE&C Plan at 1, 17, 79-81, 99, 105; PPL St. 1 at 9-11.

(3) Business (Non-Residential) Program

- Consists of:
 - Small Commercial and Industrial (C&I) Business Solutions
 - Large C&I Business Solutions

- The Company states that this program provides incentives for high-efficiency equipment and custom projects, including HVAC systems, lighting, refrigeration, motors and drives, controls, compressed air, combined heat and power (CHP), solar, and other qualifying measures.
- In addition, PPL proposes a new Business Support Services offering designed to increase participation by providing administrative, technical, engineering, and design assistance to businesses developing energy efficiency projects.

See EE&C Plan at 1, 17-18, 116-118; PPL St. 1 at 11.

According to the Company, these programs and their related components have been designed not only to achieve, but to exceed, the required 828,231 megawatt hours (MWh) of reduced energy consumption and 151 megawatts (MW) of peak demand reduction, as set forth in our *Phase V Implementation Order* and discussed in Section V.A, *infra*. Petition at 8. Specifically, PPL states that its Phase V Plan, as filed, is designed to reduce energy consumption by 1,066,059 MWh over the five-year Plan and peak demand by 167 MW of coincident peak demand from energy efficiency measures and 13 MW will be provided through demand response. See EE&C Plan at 2. As noted in Section V.B.1, *infra*, PPL submits that overall, the Plan will cost \$307,506,880 over five years, excluding SWE costs, which is equivalent to spending 2% of PPL's 2006 revenue, with annual budgets ranging from \$54.5 million to \$66.5 million. See EE&C Plan at 2, 15, 204.

In addition to selecting the above programs and measures to be included in the Plan and developing program budgets within the mandated spending limitations established under Act 129, the Company claims that it has estimated participation levels and corresponding program and measure savings and costs. Specifically, PPL submits

that its Plan is designed to do the following, as required in our *Phase V Implementation Order* and discussed below, in Section V of this Opinion and Order:

- Achieve at least 828,231 MWh gross verified energy savings by May 31, 2026;
- Achieve at minimum 7.9% (*i.e.*, 65,678 MWh) of the consumption reduction requirements from programs solely directed at low-income customers (*i.e.*, customers at or below 150% of Federal Poverty Income Guidelines (FPIG)) by March 31, 2026;
- Achieve at least 151 MW of peak demand savings (measured at the generator level) by May 31, 2026. The Company states that it will acquire at least 75% of the proposed peak demand reduction in each season (*i.e.*, in both the summer and winter seasons);
- Achieve at least 15% of the energy consumption and peak demand reduction targets in each program year;
- Demonstrate that the proportion of measures available to the low-income sector is at least 95.5% of the total measures available to all customer sectors;
- Have a portfolio of EE&C programs that is cost-effective, as determined by the TRC Test; and
- Spend no more than \$307.5 million plus the costs for the Commission's SWE, which PPL estimates are approximately \$5 million.

See Petition at 6-7; PPL St. 1 at 5.

Additionally, PPL's Phase V EE&C Plan, as filed, identifies a limited set of targeted pilot programs intended to test emerging technologies, behavioral strategies, and innovative program designs within the Act 129 framework. The pilots described on pages 75 through 76, 112, and 190 of the Plan are characterized as research-driven, limited-duration initiatives funded through capped budgets and subject to formal evaluation requirements, and stakeholder oversight, rather than serve as primary

compliance resources for Phase V savings targets. *See* EE&C Plan at 75-76, 112, 190. The Plan further indicates that PPL reserves the right to propose additional pilots using allocated contingency funding to demonstrate new technologies, program designs, or delivery methods, subject to Commission review, consistent with the *Phase V Implementation Order. Id.*

As part of the Residential Energy Efficiency Program, the Company is proposing a Conservation Voltage Reduction (CVR) Pilot and a Peak Time Rebates (PTR) Pilot. PPL describes its CVR Pilot, for which it will allocate up to \$1 million, as a front-of-the meter (FTM) research initiative designed to evaluate whether voltage optimization on the distribution system can safely and reliably reduce energy consumption and peak demand. The objective is to develop and implement a methodology to safely reduce voltage levels “in front of the meter,” leveraging existing infrastructure such as tap changers and voltage regulators. PPL describes the PTR Pilot as a residential behavior demand response initiative that may also receive up to \$1 million in funding. PPL explains that the purpose of the PTR Pilot is to test customer responsiveness to incentive-based load shifting and to evaluate seasonal participation, demand reduction potential, and customer behavior patterns. *See* EE&C Plan at 75-76.

PPL proposes a Window Saddle Heat Pump Pilot targeted primarily at Resource Constrained customers residing in multifamily housing. According to the Company, this pilot may span up to approximately twenty-four months with a budget of up to \$1 million and is intended to examine the savings potential and customer benefits of this emerging electrification technology, particularly as a potential replacement for electric resistance baseboard heating in multifamily applications.

Lastly, the Plan references a Peak Load Shift Pilot associated with the Business Energy Efficiency Program. According to PPL, this pilot is designed to evaluate methods of shifting load away from peak demand periods, complementing the

Residential PTR Pilot and broader demand flexibility initiatives in Phase V. *See* EE&C Plan at 190.

As indicated, *supra*, PPL's Plan includes cost estimates for the development and implementation of all measures, which will not exceed the spending limitations outlined on page 232 of the *Phase V Implementation Order*. PPL proposes to recover all prudent and reasonable costs associated with its Phase V EE&C Plan through a reconcilable Act 129 Compliance Rider (ACR-5), pursuant to Section 1307 of the Code, 66 Pa.C.S. § 1307. Petition at 19. PPL explains that the rider will be updated annually and reconciled to actual costs incurred, with provisions for interim adjustments if material over- or under-collections occur. *Id.* Consistent with prior Commission directives, the Company will coordinate the transition from Phase IV to Phase V cost recovery mechanisms in accordance with *Phase V Implementation Order* requirements. *Id.* at 20 (citing *Phase V Implementation Order* at 248-49).

B. Joint Petition

1. Terms and Conditions

The specific terms of the Settlement related to the Company's EE&C Plan are set forth in Paragraphs 21 through 44 of the Settlement, which are shown below in full as they appear in the Joint Settlement:

A. GENERAL

21. The following terms of this Settlement reflect a carefully balanced compromise of the interests of all of the active parties in this proceeding. The Joint Petitioners unanimously agree that the Settlement, which resolves all issues, is reasonable and in the public interest.

22. The Joint Petitioners respectfully request that the Commission approve PPL Electric’s Petition for Approval of its Phase V EE&C Plan in its entirety as modified by and subject to the terms and conditions of this Settlement, as specified below:

B. RESOURCE CONSTRAINED ENERGY EFFICIENCY PROGRAM

23. PPL Electric will increase the budget for long-term savings measures in the Resource Constrained Energy Efficient Homes component from \$7.5 million to \$9.0 million. These long-term measures will consist of building insulation, air sealing, efficient heat pumps, and heat pump water heaters, or other measures designated as comprehensive in the Table 8 Addendum to the Commission’s Phase V EE&C Plan Template.

24. To facilitate participation between the Appliance Recycling and the Energy Efficient Homes components of the Resource Constrained Energy Efficiency Program (“RCEEP”), the RCEEP Conservation Service Provider (“CSP”) will follow up directly with participating low-income customers to provide the program materials necessary to facilitate energy assessments to determine eligibility for additional program measures. The Company will track the number of customers participating in Appliance Recycling that also received an energy audit and will share the participation levels at its biannual stakeholder meetings. After the CSP’s contract is approved by the Commission, PPL Electric will develop and implement a detailed marketing plan for the Appliance Recycling component of the RCEEP, specifically tailored to increase low-income customer participation in the program. Print and email marketing materials for the appliance recycling component of the RCEEP will include information about both the Appliance Recycling and examples of the no cost measures available through the Resource Constrained Energy Efficient Homes component. Copies of this draft marketing plan will be provided to the other Joint Petitioners by no later than May 1, 2026.

25. PPL Electric agrees to remove the Student Energy Education component from the RCEEP. The Company agrees to reallocate the budget for the RCEEP Student Energy Education component to the Energy Efficient Homes component of the RCEEP. PPL Electric agrees not to count low-income student participation in the Student Energy Education component of the Residential Energy Efficiency Program (“REEP”) toward its low-income savings target.

26. PPL Electric will allocate \$2 million for health and safety repairs and/or upgrades needed to install comprehensive measures for customers eligible for its RCEEP, and will allot additional funding if necessary and available.

C. RESIDENTIAL ENERGY EFFICIENCY PROGRAM

27. PPL Electric will evaluate the total portfolio savings of the Plan at the end of Program Year 21 and the forecasted savings for Program Year 22, and if the Company is projected to be in excess of the compliance target, the Company will not report any savings from Student Energy Education energy efficiency kits in the final year of the Phase V Plan.

28. During Program Year 18, the Company shall complete a feasibility study of a proposed residential Conservation Voltage Reduction (“CVR”) pilot program. If the results of the feasibility study warrant, the Company shall develop a detailed proposal for implementation of the CVR pilot program. If the Company determines that the proposed CVR pilot program is not feasible, it shall reallocate the CVR funding within the Residential Energy Efficiency Program.

29. In developing the CVR pilot proposal, the Company shall evaluate program designs implemented in other jurisdictions for similar programs or pilots. The proposal shall describe the pilot program’s objectives; performance metrics; data to be tracked; projected costs; projected performance, including energy and demand savings; and the proposed schedule. The CVR pilot program shall have a budget not to exceed \$1.0 million.

30. Prior to submitting a description of the pilot program to the Commission's Statewide Evaluator ("SWE") and the Bureau of Technical Utility Services ("TUS") for approval, the Company shall provide the parties to this proceeding with a copy of the pilot program proposal for review and provide them with an opportunity to provide the Company with comments. The Company will attach a copy of the other parties' comments in its submission to TUS. If TUS determines that a minor or major plan change is necessary to implement the CVR pilot, the Company will comply with TUS's direction.

31. The Company's Evaluation, Measurement, and Verification ("EM&V") CSP shall assess the performance of the CVR pilot program. If the Company implements the CVR pilot, it shall assign the pilot's costs and benefits to the appropriate rate class(es); provided, however, that no savings shall be assigned or allocated to the low-income customer savings carve-out requirement.

32. The parties' agreement to the provisions in Paragraphs 28 through 31 do not constitute agreement as to the prudence or cost-effectiveness of any proposed CVR pilot, and the parties expressly reserve the right to challenge the CVR pilot in an appropriate filing or in subsequent phases.

33. PPL will expand the Enhanced Trade Ally Network to include heat pump water heater technology training and Trade Allies.

34. PPL will consider additional incentives and/or rebates for homes that are 100% electric.

D. BUSINESS ENERGY EFFICIENCY PROGRAM

35. The Company will review and evaluate Small C&I Non-Residential lighting annually and if the performance of the measure and future forecasts are not within 70% of the Company's EE&C Plan forecast, the Company will lower its forecast for Small C&I lighting and increase the forecast for non-lighting measures as is necessary to ensure compliance with all targets. The Company will

review the Small C&I Non-Residential lighting performance with stakeholders during the biannual stakeholder meetings.

36. PPL Electric will conduct an evaluation of the Peak Load Shift pilot no later than 12 months after the start date. The evaluation will be included in the Company's annual report. As part of the Company's planned CSP quarterly business reviews, PPL Electric will review results of the Peak Load Shift pilot for process improvement, opportunities and insights, and participation levels.

37. On an annual basis, the Company will report the number of participating customers in the Company's Peak Load Shift Pilot that used diesel or other fossil fuel backup generators.

38. PPL Electric will track the number of small business participants in the Phase V Plan programs and include that figure in its annual reports.

E. PROGRAM COORDINATION

39. During Program Year 18, PPL Electric's RCEEP manager(s) and CSP will meet with PPL Electric's LIURP manager; representatives from agencies administering the Weatherization Assistance Program ("WAP"), representatives from UGI Utilities, Inc. – Gas Division ("UGI Gas") and Pennsylvania American Water to discuss strategies for enhanced program coordination during Phase V. At a minimum, these meetings will discuss the potential for developing a program coordination plan that includes data sharing policies and procedures, streamlined referral processes, consolidated application processes, coordinated measure delivery, and other ways to eliminate duplicative program administration and coordinate service delivery. PPL Electric will also meet with other electric distribution companies ("EDCs") through the Energy Association of Pennsylvania ("EAP") to gain insight on best practices for EE&C program coordination. The Company will seek to identify municipally-funded and regional home repair programs and will consider recommendations from the parties to this proceeding for other local home repair programs

operating in the service territory for inclusion in the program coordination meetings.

40. The Company will create a coordination plan that will include current and ongoing collaboration activities for each participating organization, if applicable, as well as proposed enhancements and future collaboration plans with implementation dates, if available.

41. At the start of PY 19, and at least annually thereafter through the duration of the Phase V Plan, the Company will convene ongoing program coordination meetings consistent with the stakeholders and topics identified in Paragraph 39. The parties to this proceeding will be invited to these meetings. The focus of these meetings will be to further refine and advance implementation of the coordination plan.

42. At its biannual stakeholder meetings, the Company will review its coordination plan and will provide ongoing updates on its coordination efforts.

F. THIRD PARTY FINANCING

43. PPL Electric will work with the CSP and subcontractor National Energy Improvement Fund (“NEIF”) to explore providing third-party financing options to moderate income residential customers and to evaluate methods for increasing participation in the third-party financing offering, including the length and buy-down of interest rates. The Company will utilize a pilot framework or soft launch to test program design for future scaling. Prior to implementing any third-party financing option, the Company will invite the other parties to this proceeding to provide recommendations for its consideration regarding program eligibility and design. As to any pilot program developed, the Company will strongly encourage each applicant to have an energy audit performed prior to enrollment. PPL Electric will work with SWE and the third-party evaluator to develop an evaluation process for any pilot. The Company will include anonymized weather normalized pre- and post-usage data of pilot participants in the Company’s annual reports.

44. PPL Electric will continue to collaborate with Key Account Managers and Business Accounts Services to increase awareness of Act 129 Programs for small and large commercial and industrial customers. The Energy Efficiency & Conservation team will continue to hold regular meetings with the Interconnection team to discuss projects, timelines, incentives, and other critical information to ensure customers receive information related to Act 129 participation. The Energy Efficiency & Conservation team will continue to collaborate with the Company's Manager of Economic Development as well as the Company's national accounts team to ensure potential new customers to the territory fully understand all services, programs, and incentives available through Act 129. PPL Electric will continue to provide information to new home builders in the Company's service territory through the Residential New Construction component of the REEP in Phase V.

See Settlement at 4-9, ¶¶ 21-44.

In addition to the specific terms to which the Joint Petitioners have agreed, the Settlement contains other general terms and conditions typically found in settlements submitted to the Commission. Specifically, the Joint Petitioners agree that the Joint Settlement is conditioned upon the Commission's approval of all the terms and conditions contained therein, without modification. The Settlement establishes the procedure by which any of the Joint Petitioners may withdraw from the Settlement and proceed to litigate this case, if the Commission should act to modify or reject the Settlement. In addition, the Joint Petitioners assert that although the Joint Settlement is proffered to settle the instant case, it may not be cited as precedent in any future proceeding, except to the extent required to implement any term specifically agreed to by the Joint Petitioners. Further, the Joint Petitioners submit that the Joint Settlement is made without any admission against, or prejudice to, any position which any of the Joint Petitioners might adopt in future proceedings, except to the extent necessary to effectuate or enforce any term specifically agreed to in the Settlement before us. Moreover, the

Joint Petitioners state that if the Commission adopts the Settlement without modification, then they: (1) will not initiate or join in any challenge to the Settlement; (2) will not take any positions that run contrary to the Settlement; and (3) will waive their right to appeal or to seek reconsideration, rehearing, reargument, or clarification of the Commission Order approving the Settlement. Joint Petition at 9-12, ¶¶ 44-55.

2. Statements in Support

In their Statements in Support attached to the Joint Petition, the Joint Petitioners, including PPL, the OCA, the OSBA, CEO, CAUSE-PA, and SEF, collectively assert that the Settlement represents a fair, reasonable, and carefully balanced compromise that resolves all disputed issues in PPL's Phase V EE&C Plan proceeding and is in the public interest. The Joint Petitioners explain that the Settlement was reached only after extensive investigation of the Company's Plan, including formal and informal discovery, multiple rounds of testimony, and an evidentiary hearing, demonstrating that the agreed-upon terms are supported by substantial evidence and informed expert evaluation. They emphasize that Commission policy favors settlements because they conserve administrative resources, reduce litigation costs and time, and allow experienced stakeholders with diverse interests to craft practical and flexible solutions. *See* PPL Statement in Support at 1-3; OCA Statement in Support at 4-6; CAUSE-PA Statement in Support at 1, 11; OSBA Statement in Support at 1; CEO Statement in Support at 1-2; SEF Statement in Support at 1-2.

a. PPL

With respect to the Resource Constrained (low-income) Energy Efficiency Program, PPL explains that its original Phase V design included Energy Efficient Homes, Appliance Recycling, and Student Energy Efficiency Education components targeted to customers at or below 150% of the federal poverty level and aligned with broader

residential program delivery pathways. The Company recounts criticisms from the Parties, particularly the OCA and CAUSE-PA, who argued that the program overemphasized shallow measures, questioned whether appliance recycling and student education were sufficiently low-income-focused, and recommended increased funding for comprehensive and health-and-safety measures. PPL submits that the Settlement reasonably resolves these disputes by increasing funding for comprehensive low-income measures, enhancing coordination between appliance recycling and home assessments, removing the Student Energy Efficiency Education component from the Resource Constrained Program and excluding its savings from the low-income carve-out, and allocating at least \$2 million for health and safety upgrades with flexibility for additional funding. PPL maintains that these provisions appropriately address stakeholder concerns while preserving the Plan's ability to meet statutory targets cost-effectively. PPL Statement in Support at 3-15 (citing Settlement at ¶¶ 23-27).

In response to Parties' concerns regarding PPL's proposed CVR Pilot under its Residential Program, PPL submits that the Settlement strengthens transparency and accountability by requiring a feasibility study, stakeholder review, detailed pilot design parameters, a budget cap, and evaluation by the evaluation, measurement, and verification (EM&V) contractor, while also preserving Parties' rights to challenge the pilot later. PPL Statement in Support at 14-16 (citing Settlement at ¶¶ 28-32).

PPL also highlights that the Settlement incorporates stakeholder recommendations such as expanding the Enhanced Trade Ally Network to include heat pump water heater training and considering additional incentives for all-electric homes, which PPL characterizes as pragmatic adjustments that improve program effectiveness without undermining compliance objectives. PPL Statement in Support at 16 (citing Settlement at ¶¶ 33-34).

In response to Parties' concerns regarding projections under the Business Energy Efficiency Program for non-residential lighting, tracking of small business participation, and aspects of the Peak Load Shift Pilot, PPL submits that the Settlement reasonably addresses these concerns by requiring annual evaluation of small C&I lighting forecasts, formal evaluation of the Peak Load Shift Pilot within twelve months, reporting on fossil-fuel backup generator use, and tracking and reporting small business participation in annual reports. PPL Statement in Support at 20 (citing Settlement at ¶¶ 35-38).

Regarding program coordination, PPL maintains that it already engages in extensive coordination with interconnection teams, economic development, data-sharing initiatives, the Low-Income Usage Reduction Program (LIURP), and external agencies, and that the Settlement enhances these efforts through structured coordination meetings, development of a coordination plan, and continued collaboration with utilities and program partners. The Company asserts that these provisions strike a balance between improved coordination and the need to preserve administrative flexibility and program efficiency. PPL Statement in Support at 23-27 (citing Settlement at ¶¶ 39-44).

b. OCA

A central component of the OCA's support concerns the Settlement's changes to the Resource Constrained Energy Efficiency Program, which targets customers at or below 150% of the federal poverty level. The OCA submits that the Settlement addresses these concerns by increasing the budget for long-term savings measures in the Energy Efficient Homes component from \$7.5 million to \$9.0 million and by allocating \$2 million for health and safety repairs necessary to install comprehensive efficiency measures. The OCA emphasizes that this budget increase will enable more meaningful improvements, such as insulation, air sealing, and efficient heat

pump technologies, for qualifying households. OCA Statement in Support at 6-7 (citing Settlement at ¶¶ 23, 26).

With respect to appliance recycling and related Resource Constrained Energy Efficiency Program provisions, the OCA supports the negotiated terms that enhance coordination and outreach to eligible customers. The OCA submits that the Settlement's refinements, including improved program integration and targeted participation mechanisms, are viewed as acceptable adjustments that strengthen program delivery to the intended population. OCA Statement in Support at 8-14 (citing Settlement at ¶¶ 24-25, 27).

Although the OCA indicated that it took no position on the Settlement's coordination provisions, the OCA highlighted the importance of the Settlement's coordination provisions, which involve collaboration among PPL, LIURP administrators, weatherization agencies, other utilities, and program operators. The OCA explains that such coordination can streamline applications, improve data sharing, and coordinate service delivery, thereby making it easier for eligible households to access multiple programs and receive efficiency services more quickly and effectively. From the OCA's perspective, enhanced coordination will maximize energy savings, improve program efficiency, and ensure better use of program funds for the benefit of consumers. OCA Statement in Support at 14-15 (citing Settlement at ¶¶ 39-42).

Beyond the specific provisions discussed in detail, the OCA states that it does not oppose the remaining terms of the Settlement. OCA Statement in Support at 15.

c. CAUSE-PA

Although CAUSE-PA acknowledges that its positions were not fully adopted, it nevertheless concludes that the Settlement strikes an appropriate balance

among competing interests, addresses key issues it raised, and avoids the substantial costs and risks associated with continued litigation and potential appeals. CAUSE-PA Statement in Support at 1-2.

CAUSE-PA explains that its participation in the proceeding was rooted in ensuring that the Phase V EE&C Plan meaningfully aligns with the Commission's *Phase V Implementation Order* and broader policy goals concerning equitable access to efficiency programs. CAUSE-PA submits that it supports the Settlement because it incorporates improvements to low-income programming and better balances cost-effectiveness, compliance obligations, and consumer protection considerations raised during testimony. *See, generally*, CAUSE-PA Statement in Support.

A central pillar of CAUSE-PA's support is the Settlement's enhanced emphasis on "deep savings" measures within the Resource Constrained Energy Efficiency Program. The organization had previously criticized the Company's filed plan for placing too much reliance on shallow measures that do not produce lasting reductions in energy burden for low-income households. CAUSE-PA submits that the Settlement addresses this concern by increasing the budget for long-term, comprehensive measures in the Energy Efficient Homes component (*e.g.*, insulation, air sealing, efficient heat pumps, and heat pump water heaters) and by adjusting portfolio mechanics such as limiting the counting of energy efficiency kit savings in the final program year if compliance targets are already exceeded. CAUSE-PA views these provisions as requiring a measurable shift toward deeper, longer-lasting savings and a reduced reliance on shallow savings strategies. CAUSE-PA Statement in Support at 5-6 (citing Settlement at ¶¶ 23, 27).

CAUSE-PA also supports the Settlement's structural and procedural provisions, including key conditions clarifying that the agreement is non-precedential, without prejudice to future positions, and self-effectuating upon Commission approval.

It endorses these terms as appropriate safeguards that preserve the Parties' rights while facilitating resolution of the instant case. CAUSE-PA Statement in Support at 11.

d. OSBA

The OSBA emphasizes that the Settlement reflects several negotiated concessions that directly protect small business customers while balancing the Company's operational flexibility and statutory compliance obligations. Although the Settlement does not adopt every OSBA position in full, the OSBA explains that the negotiated terms meaningfully address the OSBA's key concerns regarding transparency, realistic forecasting, and proper program evaluation. *See generally*, OSBA Statement in Support.

One of the OSBA's principal concerns involved meaningful tracking of small business participation in the EE&C programs. The originally filed proposal focused on counting "measures" installed, which the OSBA argued was not an appropriate metric because a single lightbulb could be counted as one "measure," thereby overstating meaningful small business engagement. Through negotiations, the OSBA secured a Settlement provision requiring PPL to report small business participation based on the number of small businesses served, which, according to the OSBA, is a more meaningful and transparent metric. PPL will report this information in its annual reports. The OSBA characterizes this concession as an important protection for small business customers because it allows regulators and stakeholders to better assess actual participation levels and program reach within the small business community. OSBA Statement in Support at 2 (citing Settlement at ¶ 38).

The OSBA also raised concerns about PPL's projected savings from small C&I lighting. It argued that the Company's forecasts appeared to assume capture of more savings than technically available according to the Commission's Market Potential

Study. Although PPL did not agree to substantially reduce its lighting forecast, the Settlement includes a provision requiring the Company to annually review and evaluate small business lighting performance. According to the OSBA, this annual review requirement is an important safeguard, which ensures that if actual performance diverges significantly from projections, corrective action can be taken to maintain compliance with statutory targets while preventing overreliance on lighting measures in the small business sector. OSBA Statement in Support at 2-3 (citing Settlement at ¶ 35).

In response to the OSBA's concerns regarding the Company's Peak Load Shift Pilot, the OSBA submits that, through the Settlement, PPL agreed to conduct an evaluation of the pilot within twelve months of its start and to review pilot results in quarterly business reviews. According to the OSBA, these provisions ensure structured oversight, transparency, and the opportunity for mid-course adjustments, if necessary. Additionally, the Settlement requires annual reporting on whether participating customers relied on diesel or other fossil fuel backup generators. The OSBA explains that this addresses its concerns about potential unintended consequences and ensures transparency regarding how PDRs are achieved. OSBA Statement in Support at 4-5 (citing Settlement at ¶¶ 36-37).

e. CEO

CEO supports approval of the Settlement, without modification, because, according to CEO, it improves the design and targeting of low-income programming while maintaining compliance with Act 129 requirements. CEO emphasizes that the Settlement enhances benefits for income-eligible households by strengthening comprehensive, long-term energy efficiency measures and refining how low-income savings are attributed. It also supports provisions that promote coordination among utilities, community agencies, and related programs to improve service delivery and avoid duplication. *See* CEO Statement in Support at 1-2.

f. SEF

SEF explains that, as a signatory Party, it supports approval of the Settlement in its entirety because it resolves the disputed issues and incorporates stakeholder input while maintaining appropriate flexibility for implementation and evaluation. According to SEF, it supports the Settlement specifically because the provisions found in Paragraph 43 of the Settlement resolve its concerns with the Plan. SEF Statement in Support at 1-2 (citing Settlement at ¶ 43).

IV. Legal Standards

Because the Joint Petitioners have reached a settlement, the Joint Petitioners have the burden to prove that the Settlement is in the public interest. Pursuant to our Regulations at 52 Pa. Code § 5.231, it is the Commission's policy to promote settlements. Settlement terms often are preferable to those achieved at the conclusion of a fully litigated proceeding. In addition, a full settlement of all the issues in a proceeding eliminates the time, effort, and expense that otherwise would have been used in litigating the proceeding, while a partial settlement may significantly reduce the time, effort, and expense of litigating a case. Act 129 cases often are expensive to litigate, and the reasonable cost of such litigation is an operating expense recoverable in the rates approved by the Commission. Partial or full settlements allow the parties to avoid the substantial costs of preparing and serving testimony, cross-examining witnesses in lengthy hearings, and preparing and serving briefs, reply briefs, exceptions, and reply exceptions, together with the briefs and reply briefs necessitated by any appeal of the Commission's decision, yielding significant expense savings for the Company's customers. For this and other sound reasons, settlements are encouraged by long-standing Commission policy.

The Commission must, however, review proposed settlements to determine whether the terms are in the public interest. *Pa. PUC v. Philadelphia Gas Works*, Docket No. M-00031768 (Order entered January 7, 2004); *Pa. PUC v. C.S. Water and Sewer Assoc.*, 74 Pa. P.U.C. 767 (1991) (*C.S. Water and Sewer*); *Pa. PUC v. Philadelphia Electric Co.*, 60 Pa. P.U.C. 1 (1985). In order to accept a settlement such as that proposed here, the Commission must determine that the proposed terms and conditions are in the public interest. *Pa. PUC v. York Water Co.*, Docket No. R-00049165 (Order entered October 4, 2004); *Pa. PUC v. C.S. Water and Sewer Assoc.*, *supra*. Additionally, this Commission's decision must be supported by substantial evidence in the record. More is required than a mere trace of evidence or a suspicion of the existence of a fact sought to be established. *Norfolk & Western Ry. Co. v. Pa. PUC*, 413 A.2d 1037 (Pa. 1980).

Finally, we note that any issue that we do not specifically address has been duly considered and denied without further discussion. It is well settled that the Commission is not required to consider, expressly or at length, each contention or argument raised by the parties. *Consolidated Rail Corporation v. Pa. PUC*, 625 A.2d 741 (Pa. Cmwlth. 1993); *see also, generally, University of Pennsylvania v. Pa. PUC*, 485 A.2d 1217 (Pa. Cmwlth. 1984).

V. Discussion of the Plan

Before addressing the merits of the proposed Phase V Plan, in conjunction with the Settlement, we first note that, in the Settlement, PPL agrees to adopt or investigate and study several improvements proposed by the Parties to the Settlement. All Parties to this proceeding either agreed to the Settlement or did not oppose it. Because we will review the Company's Plan in conjunction with the terms of the Settlement, it appears there are no remaining contested issues related to the improvements proposed by PPL. Accordingly, we will not specifically discuss the

Comments filed by the CEEH-PA, and the Energy Advocates on January 16, 2026, or the Comments filed by RMI and the Clean Air Council on January 18, 2026, in this Opinion and Order because, although they were not parties to the Settlement, none of them have opposed it.

Accordingly, we will now address PPL's proposed Phase V EE&C Plan in conjunction with the Settlement to determine whether the Settlement is in the public interest and whether the Phase V Plan, either on its own, or as supplemented by the Settlement, complies with Act 129, the *Phase V Implementation Order*, and related Phase V Orders.

A. Phase V Conservation and Demand Reduction

1. Overall Conservation Requirements

a. Requirements

The *Phase V Implementation Order* established a Phase V energy consumption reduction target of 828,231 MWh for PPL, including a low-income consumption reduction target of 65,678 MWh. *Phase V Implementation Order* at 12. Consumption reductions are measured using the savings approach. Under this approach, estimates of the weather-normalized annual energy savings expected over the course of a measure's expected useful life were developed, absent any dual baseline considerations. *Phase V Implementation Order* at 88, 89. Each EDC was directed to develop a plan that was designed to achieve at least 15% of the target amount in each program year. *Id* at 48.

In the *Phase V Implementation Order*, we also expressed concern that the carryover of all excess savings from phase to phase of the EE&C Program would lead to a scenario in which EDCs meet most, if not all, of their reduction targets by simply

applying carryover savings. As a result, the Commission concluded that in Phase V, EDCs are allowed to carry over only excess savings obtained in Phase IV for application toward Phase V targets. In addition, we imposed a limiting mechanism on carryover savings, in response to concerns expressed by Act 129 stakeholders regarding excessive carryover. More specifically, we directed that for Phase V, EDC carryover of Phase IV MWh will be capped at a maximum of 20% of the EDCs' respective portfolio and low-income consumption reduction targets. We found that such a limit was reasonable, as it is approximately equivalent to one-fifth of the five-year phase targets. We further found that this approach will encourage EDCs to continue the full implementation of programs even after they achieve their consumption reduction targets, as long as the funds are still available. *Phase V Implementation Order* at 80-81, 84, 241.

b. Disposition

In its Plan, PPL proposes total energy savings of 1,066,059 MWh by the end of Program Year 22 (May 31, 2031).¹¹ EE&C Plan at 2. PPL indicates that it “has designed its EE&C Plan to exceed all of the compliance targets, within the expenditure cap, to account for risks and uncertainties, such as evaluation results that differ from expectations.” PPL St. 1 at 12. As such, the estimated overall consumption reduction is 1,066,059 MWh, which exceeds the 828,321 MWh overall compliance target set for the Company by approximately 29%; and the estimated consumption reduction from low-income customers is 75,623 MWh, which exceeds the 65,678 MWh low-income compliance target prescribed for the Company by approximately 15%. *See* PPL St. 1 at 12 (citing EE&C Plan at 2, Table 2).

¹¹ PPL estimates that there will be no carryover savings from Phase IV. *See* Plan at 7.

Also, in accordance with the *Phase V Implementation Order*, PPL's Plan provides that its programs have been designed to achieve at least 15% of the total consumption reduction target in each program year. Table 4 of the Plan outlines the yearly consumption reduction targets that the Company proposes to obtain in each of the Program Years of Phase V.¹² As shown on Table 4 of the EE&C Plan, PPL has designed its Plan to achieve 25% (207,033 MWh ÷ 828,231 MWh) of the total consumption reduction target in Program Year 18, 29% (239,692 MWh ÷ 828,231 MWh) in Program Year 19, 29% (243,200 MWh ÷ 828,231 MWh) in Program Year 20, 25% (209,091 MWh ÷ 828,231 MWh) in Program Year 21, and 20% (167,043 MWh ÷ 828,231 MWh) in Program Year 22. *See* EE&C Plan at 7.

Upon our review of PPL's EE&C Plan, we find that the Company projects total energy savings that will meet or exceed the prescribed Phase V energy consumption reduction targets set forth in our *Phase V Implementation Order*. Additionally, we find that the Plan complies with our directive that any carryover savings be limited only to savings actually obtained in Phase IV.¹³ Moreover, we find that the Plan satisfies our directive, *supra*, in that it is designed to achieve at least 15% of the total energy savings amount in each Phase V Program Year.

¹² The dates for the Program Years set forth in Table 4 are, as follows: Program Year 18 (June 1, 2026 through May 31, 2027), Program Year 19 (June 1, 2027 through May 31, 2028), Program Year 20 (June 1, 2028 through May 31, 2029), Program Year 21 (June 1, 2029 through May 31, 2030), and Program Year 22 (June 1, 2030 through May 31, 2031).

¹³ As previously noted, and as shown in Table 4 of its EE&C Plan, PPL has designed its Plan to meet the Company's Phase V energy consumption reduction target without the use of any carryover savings from Phase IV. *See also*, EE&C Plan at 7.

2. Overall Demand Reduction Requirements

a. Requirements

Act 129 required the Commission, by November 30, 2013, to compare the total costs of the EDCs' EE&C plans to the total savings in energy and capacity costs to retail customers, or other costs as determined by the Commission. If the Commission determined that the benefits of the plans exceeded the costs, the Act required the Commission to set additional incremental requirements for reduction in peak demand for the 100 hours of greatest demand, or an alternative reduction approach approved by the Commission. Any such reductions in peak demand must be measured from the EDC's peak demand for the period from June 1, 2011 through May 31, 2012. *See* 66 Pa.C.S. § 2806.1(d)(2); *Phase V Implementation Order* at 89.

Phase I of the EE&C Program included demand reduction (DR) requirements. 66 Pa.C.S. § 2806.1(d). The Commission did not believe it had the information necessary at the time to definitively determine that a DR program would be cost-effective as part of Phase II. Consequently, Phase II did not include DR requirements. *Phase II Implementation Order* at 32-33. For Phase III, the Commission concluded that it had sufficient information to determine that DR requirements would be cost-effective in the service territories of six of the then-seven EDCs (all EDCs except Penelec) that were required to file a Phase III EE&C plan. *Phase III Implementation Order* at 34-35. The prescribed Phase III PDR targets were designed around DDR programs. However, for Phase IV, the Commission concluded that PDRs could only be met with coincident reductions in peak demand from energy efficiency programs. *Phase IV Implementation Order* at 59, 61-62, 85. The Commission noted that coincident PDRs from energy efficiency measures could be recognized in PJM Interconnection LLC (PJM's) Forward Capacity Market (FCM). The Commission stated that proceeds from

bidding these demand resources could reduce the EE&C plan funding that must be collected via riders. *Id.* at 62.

For Phase V, the Commission proposed that either coincident PDRs from energy efficient programs or verified demand reductions from daily load-shifting demand reduction programs may be used to satisfy PDR targets. We reasoned that in doing so, we sought to establish targets and policies that provide the EDCs with flexibility in addition to achieving the desired technical and economic outcomes. The Commission also proposed to utilize the average load for the 100 hours of highest load for the period June 1, 2007, through May 31, 2008, as the reference peak load values against which to express peak demand reductions for each EDC and for the EE&C program as a whole. *Phase V Implementation Order* at 126, 133-34.

We further proposed assessing compliance with the PDR targets using an average of the EDC's gross verified summer PDR and winter PDR.¹⁴ We reasoned that this would allow an EDC to offset underperformance in one season by overperforming in another season. Thus, we note that establishing a PDR target that includes both summer and winter performance inherently indicates that both seasons are important. To ensure some balance across seasons, the Commission directed that each EDC's Phase V EE&C plan include a mix of measures and programs projected to acquire at least 75% of the proposed target in each season. For example, an EDC with a Phase V PDR target of 120 MW would need to file an EE&C plan projecting no less than 90 MW

¹⁴ The summer peak demand period for Act 129 programs is non-holiday weekdays from June through August, from 2:00 pm to 6:00 pm Eastern Prevailing Time. The winter peak demand period is non-holiday weekdays from January through February, from 7:00 am to 9:00 am and 6:00 pm to 8:00 pm Eastern Prevailing Time. *Phase V Implementation Order* at 149. However, we also stated that the EDCs may propose an alternative performance window in their Phase V EE&C plans. We further specified that the EE&C plan should provide a rationale for the alternative window. *Phase V Implementation Order* at 154.

(120 MW x 0.75 = 90 MW) of summer or winter PDR. *Phase V Implementation Order* at 126, 133-34, 136, 143.

Moreover, we directed that: (1) EDCs be permitted to carryover 50% of the excess peak demand savings acquired in Phase IV and apply them towards Phase V PDR targets; (2) EDCs design their EE&C plans to achieve at least 15% of their PDR target in each program year; and (3) PDRs from energy efficiency measures be measured using the savings approach described, *supra*. *Phase V Implementation Order* at 144, 145-47, 149. Further, we specified that EDCs that include time of use (TOU) rates in their proposed Phase V EE&C plans should clearly describe how Act 129 support will lead to improved outcomes over simply offering the rates in tariffs. *Id.* at 124.¹⁵

At the same time, we declined to direct the inclusion of a specific low-income PDR target. We noted, *inter alia*, that each additional target the Commission establishes exposes the EDCs to additional compliance risk, given the associated statutory penalties set forth in the Act. Further, we reasoned that establishing a specific low-income peak demand carve-out could divert focus from comprehensive

¹⁵ Regarding TOU rates, PPL states as follows:

PPL Electric Utilities plans to offer education, communication, and outreach related to available time-of-use (“TOU”) programs, if available, to ensure customer awareness and maximum participation. This includes any potential future TOU customer options. The Company’s goal is to create a complementary environment for Act 129 offerings and Company TOU rates, though it does not plan to claim savings on TOU at the outset of Phase V. PPL Electric Utilities reserves the right to add TOU participation incentives in Phase V if it will lead to better customer outcomes based on ongoing customer satisfaction and experience measurements.

EE&C Plan at 24. We find that PPL has sufficiently complied with our directive above.

efficiency programs that more directly reduce household energy bills. *Phase V Implementation Order* at 141-42.

The *Phase V Implementation Order* established a Phase V PDR target for PPL of 151 MW. This represents 2.01% of PPL's 2007-08 baseline. *Phase V Implementation Order* at 143.

b. Disposition

Upon review of the Plan, we find that the projected annual PDR amount in the Company's Plan will exceed the Commission-prescribed Phase V target of 151 MW, as set forth in our *Phase V Implementation Order*. Specifically, we find that PPL's Plan has been designed to achieve a compliance target of cumulative PDR of 180.6 MW (of which 167.6 MW is attributed to energy efficiency measures and 12.99 MW will be provided through demand response), which exceeds the 151 MW PDR compliance target for Phase V of the EE&C Program by approximately 20%. *See* PPL St. 1 at 12 (citing EE&C Plan at 2, Table 2).

Furthermore, the Company notes that it is proposing alternative performance windows for compliance with the demand reduction targets, as follows:

PPL Electric Utilities has elected to update the peak values to align with the Company's specific and identified peak periods. These peak times were obtained from system wide load data from peak summer and winter months. It should be noted that the Company's peak period extends through September in the Summer and from December in the Winter though will follow the months set forth by the Pa PUC:

- Summer Peak Demand Definition: non-holiday weekdays
June – August, from 4:00 pm to 7:00 pm Eastern
Prevailing Time

- Winter Peak Demand Definition: non-holiday weekdays, January – February, from 6:00 am to 9:00 am and 6:00 pm to 8:00 pm Eastern Prevailing Time

EE&C Plan at 8. On review, we find that the Company has sufficiently explained its rationale for its use of an alternative window, as directed in our *Phase V Implementation Order*. See *Phase V Implementation Order* at 154.

In addition, to comply with the requirement that each EDC develop a plan designed to achieve at least 15% of the target amount in each program year, PPL has designed its EE&C Plan to achieve 23% ($34.18 \text{ MW} \div 151 \text{ MW}$) of the total peak demand reduction target in Program Year 18, 27% ($40.03 \text{ MW} \div 151 \text{ MW}$) in Program Year 19, 28% ($42.17 \text{ MW} \div 151 \text{ MW}$) in Program Year 20, 24% ($35.94 \text{ MW} \div 151 \text{ MW}$) in Program Year 21, and 19% ($28.27 \text{ MW} \div 151 \text{ MW}$) in Program Year 22. See EE&C Plan at 9.

Furthermore, Table 6 of PPL's EE&C Plan demonstrates that the portfolio is designed to achieve 140% of the target in the summer peak demand period and 99% in the winter peak demand period, thereby satisfying the 75% seasonal design requirement. See EE&C Plan at 10. Consistent with the *Phase V Implementation Order*, the Plan measures peak demand at the system level, scales savings by applicable line loss factors, and counts both coincident demand reductions from energy efficiency and verified reductions from load-shifting programs toward the single MW target.

The Settlement further reinforces compliance by incorporating oversight and corrective mechanisms to safeguard achievement of the peak demand target. It requires annual review and potential reforecasting of small C&I lighting savings to ensure continued compliance with all targets, mandates evaluation and reporting for the Peak Load Shift Pilot to verify DR performance and subjects the proposed CVR Pilot to a feasibility study, stakeholder review, and Commission oversight before implementation.

Settlement at ¶¶ 28-31, 35-37. We find that these provisions preserve the flexibility contemplated by the *Phase V Implementation Order*, allowing PDRs to be achieved through energy efficiency or demand response, while adding monitoring, reporting, and adaptive management safeguards.

Accordingly, we find that the Plan, as modified by the Settlement, satisfies the Company's prescribed Phase V compliance target of 151 MW PDR, meets the 75% per-season design requirement, adheres to system-level measurement and verification standards, and incorporates structured oversight to ensure full compliance with the Phase V PDR mandates, as contemplated in our *Phase V Implementation Order*.

3. Requirements for a Variety of Programs Equitably Distributed

a. Requirements

In the *Phase V Implementation Order*, we did not require a proportionate distribution of measures among customer classes. However, we did require that each customer class be offered at least one program. *Phase V Implementation Order* at 199-200. In addition, the Commission required that all Phase V EE&C plans include at least one comprehensive program for residential customers and at least one comprehensive program for non-residential customers. *Id.* at 52.

b. Disposition

In compliance with the directive that all Phase V EE&C plans meet the requirements that each customer class be offered at least one program, and that at least one comprehensive program be offered to residential customers and at least one comprehensive program be offered to non-residential customers, the Company represents that it will offer three separate programs, collectively containing nine components. As

discussed, *supra*, these three programs, and the nine opportunities for participation contained within them, are summarized as follows:

(1) Residential Program

- Energy Efficient Homes
- Appliance Recycling
- Student Energy Efficiency Education
- Persistent Demand Response

(2) Resource Constrained (Low-Income) Program

- Energy Efficient Homes
- Appliance Recycling
- Student Energy Efficiency Education

(3) Business (Non-Residential) Program

- Small C&I Business Solutions
- Large C&I Business Solutions

Petition at 11-12; EE&C Plan (Sections 3.2 to 3.4) at 25-190. PPL adds that its Business Energy Efficiency Program will also be offered to small and large C&I customers in the government, non-profit, and institutional (GNI) sector. EE&C Plan at 190. This structure ensures that all major customer classes: market-rate residential, low-income residential, small C&I, and large C&I have access to program offerings suited to their usage profiles and market characteristics.

Each program, and the associated components, that will be offered under Phase V are included in Sections 3.2 (Residential Energy Efficiency Program), Section 3.3 (Resource Constrained Energy Efficiency Program), and Section 3.4

(Business Energy Efficiency Program) of PPL's EE&C Plan. These sections provide detailed information on each program/component, including the following: descriptions; objectives; target markets; implementation strategies; issues, risks, and risk management strategies; anticipated costs to participating customers; ramp-up strategies; marketing strategies; and eligible measures and incentive strategies.

PPL proposes to spend 21.5% of its total Plan budget on residential (exclusive of low-income) programs, 16.0% on residential low-income programs, 29.8% on small C&I programs, 19.1% on large C&I programs, and 13.7% on common costs. *See* EE&C Plan at 15.

The Plan further demonstrates equitable distribution by meeting the Commission's specific low-income carve-out requirement and designing comprehensive offerings within each sector. According to PPL, the Plan achieves the required low-income savings target within the overall compliance framework, thereby ensuring that low-income customers receive a meaningful and proportional share of program benefits. PPL St. 1 at 12. Additionally, the Plan includes comprehensive measures, such as in-home energy audits and energy efficiency and peak demand education, for both residential and resource constrained customers. For non-residential customers, PPL's Business Program will target business customers of all sizes and in every segment, as well as government and educational institutions, with a comprehensive range of prescriptive measures (including HVAC, lighting, and water heating), as well as opportunities to implement custom efficiency projects for measures not included in the TRM. Custom component measures cover a comprehensive set of non-residential needs, including CHP, advanced controls, compressed air, and other projects that result in cost-effective energy efficiency savings, satisfying the *Phase V Implementation Order's* requirement for broad and balanced program design. *Id.* at 13-14.

Additionally, the Settlement strengthens equitable distribution by reallocating funding to enhance comprehensive measures in the Resource Constrained Program, including additional funding for long-term measures and health and safety repairs necessary to enable participation. *See* Settlement at ¶¶ 23, 26. It also removes the low-income Student Energy Education component and reallocates those funds to more impactful comprehensive measures, thereby directing resources toward measures with greater durability and system benefit for low-income customers. *See Id.* at ¶ 25. For small C&I customers, the Settlement requires annual review of lighting forecasts and rebalancing of measures if performance lags, ensuring that savings assumptions do not disproportionately burden or disadvantage that customer class. *See Id.* at ¶ 35. Moreover, participation tracking and reporting provisions enhance transparency and allow stakeholders to monitor whether small businesses and other customer classes are receiving equitable program access and benefits. We find that these Settlement provisions are in the public interest and serve to bolster the comprehensive program and measure offerings set forth in the Company's Plan.

4. Government/Educational/Non-Profit Requirement

a. Requirements

Act 129 required, in its initial phase of implementation, that EE&C Plans obtain a minimum of 10% of all consumption and peak demand reduction requirements from units of the federal, state, and local governments, including municipalities, nonprofit entities, school districts, and institutions of higher education (GNI carve-out). 66 Pa.C.S. § 2806.1(b)(1)(i)(B). No such stipulation was required for subsequent phases of implementation. For Phase II, the Commission prescribed a similar requirement for the EE&C Program. In Phase III, the Commission required that each EDC must obtain at least 3.5% of all consumption reduction requirements from GNI entities. For Phase IV, the Commission did not require a specific carve-out for the GNI sector, finding that the

results of the energy efficiency and peak demand reduction (EEPDR) Potential Study performed by the Phase III SWE indicated that the GNI sector is expected to produce a significant share in Phase IV consumption reductions at a comparable acquisition cost to the broader small and large C&I customer classes without a specific compliance target. Namely, the Commission found that in contrast to the low-income sector, which would likely be underserved without a carve-out, the GNI sector can be adequately served by measures offered to other non-residential customers. However, the Commission proposed that the EDCs report savings achieved for the GNI sector in Phase IV and that the EDCs' EE&C plans highlight how the GNI sector will be served. *Phase IV Implementation Order* at 37-39, 43.

In our *Phase V Implementation Order*, we did not specifically set forth any requirements as to the GNI sector. However, in its Plan, PPL explains, as follows:

The Company's Business Energy Efficiency Program will again be offered to all large and small commercial and industrial customers, including those defined as government, non-profit, and institutional ("GNI"). PPL Electric Utilities has a history of completing projects and maintaining partnerships with healthcare facilities, educational organizations, and other GNI customers across our territory. PPL Electric Utilities has included measures applicable to a variety of GNI customers, dependent on end-use, and will develop communications and marketing strategies to ensure awareness of these offerings. Where applicable, the Company will work with the selected CSPs for tailored outreach, including in the master metered income-eligible multifamily space, to ensure housing authorities and other providers receive an opportunity to participate.

EE&C Plan at 190.

5. Constraints on EE&C Plan Offerings

a. Requirements

(1) Non-Residential Midstream Lighting

The Commission noted that in Phase IV of the EE&C Program, non-residential LED lighting measures have delivered more savings than all other measure categories combined. The three primary measure vintages for non-residential lighting and most other EE&C measures are Early Replacement, New Construction, and Replace on Burnout (ROB). We explained that ROB lighting is generally delivered via midstream channels at the point of sale through participating distributors. We cautioned that as LED lighting becomes the industry standard technology for virtually all lighting applications, this creates serious concern about the use of limited program funds incentivizing LED equipment at the point of purchase. The Commission worried that many of these sales in Phase V would replace first-generation LED systems and that nearly all of these sales would be LEDs, even without program support. Thus, we posited that implementation of large midstream/ROB lighting programs in Phase V could result in a situation in which the EDCs claim more gross lighting savings than the total contribution of non-residential lighting energy to their current retail sales. *Phase V Implementation Order* at 74-75.

However, in light of the volume of EDC comments in this proceeding lamenting the blended acquisition costs used to establish Phase V targets, we concluded that it is inappropriate to limit EDC flexibility to offer program designs with low administrative costs per kWh saved. Therefore, for Phase V, we concluded that the EDCs do not need to minimize the contribution of midstream delivery of non-residential lighting measures in their Phase V EE&C plans, provided that participating distributors

can document each transaction that the replaced lighting equipment is not LED. *Phase V Implementation Order* at 76-77.

(2) FTM Measures

In our *Phase V Implementation Order*, we noted that there are potential EE&C measures that affect the EDC distribution equipment that transports electricity to homes and businesses. We stated that while FTM measures would lower customer energy consumption, and therefore bills, they generally do not involve ratepayer participation or even awareness. Previous phases of Act 129 have allowed FTM measures, such as conservation voltage reduction, to contribute to EDC compliance goals. *Phase V Implementation Order* at 77. In our *Phase V Tentative Implementation Order*, we proposed limiting Phase V EE&C plans to customer-sited measures that the home or business would have knowledge of, reasoning that FTM measures are part of operating the distribution system, rather than an EE&C plan component. *Id.*; *Phase V Tentative Implementation Order* at 30.

Based upon comments we received in response to our *Phase V Tentative Implementation Order*, we found that FTM measures, such as conservation voltage reduction, can be low-cost, high-yield EE&C plan components and can help combat growing resource adequacy concerns in the Commonwealth. Accordingly, we determined that for Phase V, the EDCs do not need to limit their proposed Phase V EE&C plans to customer-sited measures.¹⁶ Notwithstanding the above, we directed that

¹⁶ Typically, such customer-sited measures involve the customer, or a contractor on their behalf, installing a piece of electric equipment or implementing behavior or technical controls to alter the way existing equipment operates. Often, the participant pays the majority of the cost of efficient equipment. *Phase V Tentative Implementation Order* at 30; *Phase V Implementation Order* at 77.

the projected contribution of FTM measures be limited to no more than 10% of the total Phase V EE&C Plan MWh and MW savings. *Phase V Implementation Order* at 79.¹⁷

b. Disposition

PPL's Phase V EE&C Plan, as modified by the Settlement, complies with the *Phase V Implementation Order's* constraint on non-residential midstream lighting, requiring transaction-level documentation that replaced equipment is not LED by embedding midstream lighting within its Business Energy Efficiency Program structure, subjecting it to the Commission's monitoring, reporting, and evaluation framework, and incorporating Settlement-based performance safeguards to ensure that only eligible and verifiable savings are counted. According to PPL, its Plan complies with the *Phase V Implementation Order* and describes its monitoring and verification obligations. Petition at 6. Non-residential lighting is delivered through the Small and Large C&I Business Solutions components of the Business Energy Efficiency Program and is therefore subject to the same compliance, EM&V, and reporting protocols applicable to all non-residential measures. EE&C Plan (Section 3.4) at 112-90. These protocols operate within the framework established by the *Phase V Implementation Order*, which emphasizes proper measurement, verification, and reporting of peak demand and energy reductions. *See Phase V Implementation Order* at 149. By placing midstream lighting within this regulated structure, PPL ensures that participating distributors must document qualifying transactions in accordance with Commission-approved TRM assumptions and

¹⁷ In addition to the constraints regarding Non-Residential Midstream Lighting and FTM Measures, we also considered the proposal of the OCA that eligibility for solar photovoltaic (PV) incentives should be limited to participants who also receive incentives for other energy efficiency measures offered through Act 129. However, we declined to require the pairing of solar PV with other energy efficiency measures, noting that we instead favor program designs that allow participants to select the measure(s) that make sense for them based on their technical and economic circumstances. *See Phase V Implementation Order* at 79-80.

evaluation standards so that only incremental, eligible non-LED-to-LED conversions are counted toward savings. EE&C Plan at 219. The Settlement further reinforces this compliance mechanism by requiring annual review and evaluation of Small C&I non-residential lighting performance, and mandating reforecasting and reallocation to other measures if performance falls below 70% of projections. PPL Statement in Support at 20; OSBA Statement in Support at 3.

Additionally, PPL's Phase V EE&C Plan, as modified by the Settlement, complies with the *Phase V Implementation Order's* constraint regarding FTM measures, because PPL's Plan proposes only a limited FTM initiative, a CVR Pilot, while expressly acknowledging and adopting the Commission's 10% limitation and, in fact, the Company does not model or claim any CVR savings in its Plan due to implementation uncertainty, which necessarily keeps projected FTM contributions at (or near) zero and well below the cap. *See* EE&C Plan at 23. The Settlement further strengthens compliance by requiring a feasibility study during Program Year 18, stakeholder review and the opportunity to provide comments before any pilot proposal is submitted to the Commission, Commission review through any required plan change process, and assignment of costs/benefits to the appropriate rate class(es). Settlement at ¶ 28; *see also* CAUSE-PA Statement in Support at 9-10; OSBA Statement in Support at 3-4.

6. Low Income Program Requirements

a. Requirements

For Phase V, as in all prior phases of Act 129, the Commission proposed that each EDC's EE&C plan include specific energy efficiency measures for households at or below 150% of the FPIG, in proportion to that sector's share of the total energy usage in the EDC's service territory. *Phase V Implementation Order* at 54; *see also*

66 Pa.C.S. § 2806.1(b)(1)(i)(G).¹⁸ The Commission derived the low-income savings targets by allocating 13% of each EDC's Act 129 budget to programs solely directed at low-income customers or low-income-verified participants in multifamily housing programs. The low-income targets represent 7.5% of the statewide MWh target, which is higher than the 5.8% of Phase IV savings that come from low-income households.¹⁹ By EDC, the Phase V low-income targets range from 6.7% to 7.9%, including 7.9% for PPL. *Phase V Implementation Order* at 55, 68-69, and 12, Table 2.²⁰ Savings counted toward

¹⁸ See *Report of the Act 129 Low-Income Working Group* at Docket No. M-2009-2146801, Table 1 at page 6, that was adopted by the Commission in an April 27, 2010 Secretarial Letter at the same Docket.

¹⁹ In Phase III, the Commission required that each EDC obtain a minimum of 5.5% of its total consumption target from the low-income sector. *Phase III Implementation Order* at 62-63 and 69. In the *Phase IV Implementation Order*, the Commission noted that while the Phase IV target was slightly higher in terms of percentage, the Phase IV target is lower for all EDCs in terms of MWh due to the higher portfolio-level acquisition costs used to set the Phase IV targets. *Phase IV Implementation Order* at 36.

²⁰ We note that there is a slight discrepancy between the statewide and individual EDC low-income target percentages stated on page 55 of our *Phase V Implementation Order*, and those stated on page 69. On review, Table 12 on page 55 of our *Phase V Implementation Order* includes the total Phase V consumption reduction targets for each EDC that we initially contemplated in our *Phase V Tentative Implementation Order*, as opposed to the final total Phase V consumption reduction targets set forth in Table 2 page 12 in our *Phase V Implementation Order*. On pages 68 and 69 of our *Phase V Implementation Order*, we also stated that the low-income energy savings targets presented in our *Phase V Tentative Implementation Order* were reasonable and achievable. While our prescribed low-income targets in our *Phase V Implementation Order* did not change from those contemplated in our *Phase V Tentative Implementation Order*, we did update the total overall Phase V consumption reduction targets. Therefore, as shown in Table 1, below, the low-income target percentages stated

this target can only come from specific programs solely directed at low-income customers or low-income-verified participants in multifamily housing programs. Savings from non-low-income programs, such as general residential programs, cannot be counted toward these targets.²¹ *Id.* at 55.

For Phase V, the Commission set PPL’s low-income savings target at 65,678 MWh, representing 7.9% of the Company’s overall portfolio consumption reduction target, which the Company must meet by May 31, 2031. *See Phase V Implementation Order* at 55, 68.

b. Disposition

PPL acknowledges that the Company “must design its Low-Income Program to meet the *Phase V Implementation Order*’s targets of achieving 7.9% of total plan savings from the Low-Income sector while staying under total Plan budget

in this Opinion and Order are consistent with those stated on page 69 of our *Phase V Implementation Order*.

Table 1: Percentage of Overall Consumption Reduction Targets Attributable to Low-Income

	Total Consumption Reduction Targets	Low-Income Consumption Reduction Targets	Percentage of Overall Consumption Reduction Targets Attributable to Low-Income
	(MWh)	(MWh)	
Duquesne Light	261,583	18,933	7.2%
PECO	1,111,685	74,456	6.7%
PPL	828,231	65,678	7.9%
First Energy	1,097,605	86,913	7.9%
Total	3,299,104	245,980	7.5%

See Phase V Implementation Order at 69, 12, Table 2.

²¹ As previously discussed, we are not proposing a low-income carve-out for the PDR requirements. *See also Phase V Implementation Order* at 55, n.48.

requirements.” PPL St. 1-R at 16-17. As required, PPL’s Plan forecasts 75,623 MWh of low-income savings, exceeding the 65,678 MWh low-income compliance target prescribed for the Company in our *Phase V Implementation Order* and restated in Table 1, *supra*, by approximately 15%. EE&C Plan at 2. The Plan includes a distinct Resource Constrained Energy Efficiency Program designed specifically for income-qualified customers at or below 150% of the FPIG, thereby satisfying the requirement that savings counted toward the carve-out are derived from programs solely directed at low-income customers. *See* EE&C Plan, Section 3.3. In addition, the Company has expanded the scope of its low-income EE&C programs by aligning measure and channel delivery with the Residential Energy Efficiency Program, which keeps the existing participation pathways while expanding options for income-eligible customers. *Id.*

PPL indicates that it has increased the variety of measures available to income-eligible customers through the Resource Constrained Energy Efficiency Program, with approximately 32% of all measures available to this sector. According to PPL, this meets the Commission’s requirement that the proportion of measures available to the Company’s low-income sector is at least 9.95% of the total measures available to all customer sectors. *See* Petition at 16; *see also*, EE&C Plan, Sections 1.3, 9.1.3.

Under the Settlement, PPL has agreed to remove the Student Energy Education component from the Resource Constrained Energy Efficiency Program and to reallocate those funds to increase the budget for the Energy Efficient Homes component of the Resource Constrained Energy Efficiency Program from \$7.5 million to \$9 million. Settlement at ¶¶ 23, 25. PPL has also agreed to allocate \$2 million for health and safety repairs and upgrades necessary to enable installation of comprehensive efficiency measures for eligible Resource Constrained customers. *Id.* at ¶ 26. Further, PPL will require Resource Constrained Energy Efficiency Program CSPs to follow up with Appliance Recycling Program participants to facilitate energy assessments to assess eligibility for additional program measures. PPL has committed to track and report

participants levels and implement a marketing plan for the Appliance Recycling Program to increase low-income participation. *Id.* at ¶ 24. Additionally, PPL has agreed to not count low-income student participation in the Student Energy Education component of the Residential Energy Efficiency Program toward its low-income savings target. *Id.* at ¶ 25.

On review, we find that the provisions of the Settlement are in the public interest. The provision of the Settlement to reallocate funds previously designated for the Student Energy Education component of the Resource Constrained Energy Efficiency Program, and the clarification that participation in the Student Energy Education component of the Residential Energy Efficiency Program will not be counted toward the low-income savings target, ensures that energy savings attributed to the low-income carve-out are derived solely from specific income-eligible programs. Further, the increased funding for comprehensive measures and health and safety repairs/upgrades provides more flexibility to achieve deeper, long-term energy savings while addressing barriers that may otherwise prevent installation of energy saving measures. Additionally, we find that the low-income program components of PPL's Plan further enhance access for income-eligible customers through new program offerings, strengthens tracking and reporting commitments, and improves coordination with LIURP and other related programs. Therefore, we conclude that the low-income program components of PPL's Plan, as modified by the Settlement, comply with the low-income program requirements set forth in our *Phase V Implementation Order*.

7. Proposals for Improvement of Plan

a. Requirements

The Commission's EE&C Program must include "procedures to make recommendations as to additional measures that will enable an electric distribution

company to improve its plan and exceed the required reductions in consumption.”
66 Pa.C.S. § 2806.1(a)(6). Furthermore, Act 129 permits the Commission to direct an EDC to modify or terminate any part of an approved plan if, after an adequate period for implementation, the Commission determines that a measure included in the plan will not achieve the required consumption reductions in a cost-effective manner. 66 Pa.C.S. § 2806.1(b)(2); *see also, Phase V Implementation Order* at 201.

b. Disposition

In the Settlement, PPL agrees to adopt or investigate and study several improvements proposed by the Parties to the Settlement. All Parties to this proceeding either agreed to the Settlement or did not oppose it.

The Company offers the following explanation on some ways it plans to improve the efficiency or cost-effectiveness of its Phase V EE&C Plan:

During the preparation of the Phase V EE&C Plan, PPL Electric pursued opportunities to solicit input from and inform stakeholders of the Company’s progress. The Company held several direct meetings with key stakeholders during the development of the EE&C Plan to acquire feedback on stakeholder priorities for the Plan.

PPL Electric anticipates that this collaborative process will increase the likelihood of success in implementing the portfolio. Information about stakeholder participation is summarized in Section 4.1.6 of the Phase V EE&C Plan. PPL Electric intends to meet with stakeholders as needed (but not less than twice annually) until May 31, 2031, and use their input to help identify modifications that would improve the efficiency or cost-effectiveness of the Phase V EE&C Plan (subject to regulatory approval where required). This process should assist the review of the Phase V EE&C Plan by the stakeholders and the Commission and should hopefully serve to expedite the Plan’s approval, thereby allowing more

time to prepare for implementation and expanding the opportunities for consumer savings.

Petition at 10-11. Additionally, the Company expressly states that it will monitor program and channel performance and, if necessary, adjust marketing, communications, incentive levels, eligibility requirements, sector and program budgets, and measure offerings to manage participation and achieve portfolio targets. PPL St. 1 at 12-13.

The Settlement further operationalizes this continuous-improvement framework. More specifically, it requires annual review of Small C&I lighting performance and mandates that, if results fall below 70% of forecast, PPL will lower its lighting forecast and increase non-lighting measures, as necessary, to ensure compliance with all targets. *See* Settlement at ¶ 35.

In addition, PPL's Plan identifies and describes several pilot initiatives during the Phase V period, including: (1) the PTR Pilot; (2) the Window Saddle Heat Pump Pilot; (3) the CVR Pilot; and (4) the Peak Load Shift Pilot. In its Plan, the Company explains that these pilots are intended to test emerging technologies or program delivery approaches that could complement existing Act 129 offerings and inform future program development. The Plan further describes the evaluation and reporting framework that will apply to pilot initiatives, including oversight by the Company's EM&V CSP and coordination with the SWE, ensuring that participation levels, savings impacts, and program performance metrics are properly measured and reported through the Commission's evaluation process. EE&C Plan at 27, 78.

The Settlement provides additional structure and oversight for certain pilot initiatives and strengthens the specificity associated with their implementation. In particular, with respect to the CVR Pilot, the Settlement requires PPL to conduct a feasibility study during Program Year 18 and, if the pilot proceeds, to prepare a detailed

proposal describing the pilot's objectives, the data and performance metrics that will be tracked, projected costs, projected energy and peak demand savings, and the proposed implementation schedule. The Settlement further provides that the proposal must be shared with the Joint Petitioners for review and comment before submission to the SWE and TUS, ensuring transparency and stakeholder input into the pilot's design. Settlement at 6. These requirements ensure that the CVR Pilot will ultimately include the detailed design elements contemplated by the *Phase V Implementation Order* before implementation occurs.

Importantly, the Settlement also expressly recognizes that implementation of certain pilot initiatives may require additional regulatory approval through the Commission's Act 129 plan modification procedures. Specifically, the Settlement provides that after the CVR Pilot proposal is developed and reviewed by stakeholders, it will be submitted to the SWE and TUS and that PPL will comply with any required EE&C Plan change process identified by TUS. Settlement at 6. This language acknowledges that if the proposed pilot represents a material modification to the approved Phase V EE&C Plan, the Company may be required to file a Petition for Plan Change prior to implementation.

Although this language is explicitly tied to the CVR Pilot, the same regulatory framework applies to the other pilot initiatives identified in the Plan, including the Residential PTR Pilot, the Window Saddle Heat Pump Pilot, and the Peak Load Shift Pilot. These pilots involve new technologies or program delivery approaches that may evolve during the Phase V implementation period, and therefore their final design, participation expectations, and savings performance may require further refinement through evaluation and stakeholder engagement. As a result, the Plan and Settlement together recognize that all pilot initiatives remain potentially subject to the Commission's EE&C Plan change approval process, including the filing of a Petition for Modification of its EE&C Plan, consistent with the processes set forth in the Commission's decision in

Energy Efficiency and Conservation Program, Docket No. M-2008-2069887 (Order entered June 10, 2011) (*Minor Plan Change Order*), if the final design or implementation of a pilot represents a material modification to the approved EE&C Plan. Through this Opinion and Order, we underscore to the Company the importance of filing a Petition for Modification of its Plan under this scenario.

Together, these provisions establish a structured process for monitoring results, consulting stakeholders, evaluating pilots, adjusting forecasts, and reallocating funds among measures, thereby ensuring that PPL has defined procedures to recommend and implement additional or alternative measures that improve portfolio performance and enable the Company to exceed required consumption reductions, consistent with the *Phase V Implementation Order*.

B. Cost Issues

In the *Phase V Implementation Order*, we stated the following regarding EE&C Plan costs:

Act 129 directs the Commission to establish a cost recovery mechanism that ensures that the approved measures are financed by the customer class that receives the direct energy and conservation benefit of the measure. 66 Pa. C.S. § 2806.1(a)(11). All EDC plans must include cost estimates for implementation of all measures. 66 Pa. C.S. § 2806.1(b)(1)(i)(F). Each plan must also include a proposed cost recovery tariff mechanism, in accordance with Section 1307 (relating to sliding scale of rates; adjustments), to fund all measures and to ensure full and current recovery of prudent and reasonable costs, including administrative costs, as approved by the Commission. 66 Pa. C.S. § 2806.1(b)(1)(i)(H).

In addition, each plan must include an analysis of administrative costs. 66 Pa. C.S. § 2806.1(b)(1)(i)(K). Act

129 dictates that the total cost of any plan must not exceed two percent of the EDC's total annual revenue as of December 31, 2006, excluding Low-Income Usage Reduction Programs established under 52 Pa. Code § 58 (relating to residential Low-Income Usage Reduction Programs, 66 Pa. C.S. § 2806.1(g)).

Lastly, all EDCs, including those subject to generation or other rate caps, must recover, on a full and current basis from customers, through a reconcilable adjustment clause under Section 1307, all reasonable and prudent costs incurred in the provision or management of their plans. 66 Pa. C.S. § 2806.1(k).

Phase V Implementation Order at 231.

1. Plan Cost Issues

a. Determination of Allowable Costs

(1) Phase V Allowable Costs

(a) Requirements

The Act allows an EDC to recover all prudent and reasonable costs relating to the provision or management of its EE&C Plan, but limits such costs to an amount not to exceed 2% of the EDC's total annual revenue as of December 31, 2006, excluding Low-Income Usage Reduction Programs established under 52 Pa. Code §§ 58.1-58.18. 66 Pa.C.S. § 2806.1(g). The level of costs that an EDC will be permitted to recover in implementing its EE&C programs was established in the Phase I EE&C proceedings. The Commission interprets the 2% limitation provision of Act 129 to be an annual amount applicable for the period of the EE&C plan, rather than an amount for the full proposed five-year period of Phase V. In the *Phase V Implementation Order*, we

established an annual spending cap of \$61,501,376 for PPL, which results in a total Phase V budget limit of \$307,506,880 ($\$61,501,376 \times 5 = \$307,506,880$). *Phase V Implementation Order* at 34, 232, 234-35.

Further, we stated that for Phase V, each EDC was required to submit an EE&C plan demonstrating that at least 50% of its total Phase V budget is allocated to incentives, and that less than 50% of this budget is allocated to non-incentive cost categories. However, we clarified that this directive only applies to the EDC's overall Phase V EE&C plan. Thus, we explained that an EDC may still include any program that does not individually meet the spending split criteria, provided that the overall plan complies with our directive above. *Phase V Implementation Order* at 233, 237.

(b) Disposition

PPL's EE&C Plan confirms that its proposed portfolio budget (excluding SWE costs) equals \$307,506,880, precisely matching the Commission-authorized cap. The Petition further states that the Plan complies with the designated expenditure cap of 2% of 2006 annual revenues for each year of the five-year Plan. EE&C Plan at 2, 204.

The Settlement does not increase the overall portfolio budget but instead reallocates funding within the approved cap to enhance program effectiveness and address stakeholder concerns. For example, the Settlement provides for \$2 million in health and safety funding within the Resource Constrained Program and reallocates certain low-income education funds to more comprehensive measures, expressly recognizing the need to achieve all required consumption and peak demand targets within budget. Settlement at ¶ 26. Because these modifications operate within the \$307,506,880 cap and do not seek additional funding beyond the limit established by the *Phase V Implementation Order*, the Plan, as modified by the Settlement, remains fully compliant with the *Phase V Implementation Order's* budget constraint.

In addition, PPL’s EE&C Plan satisfies the portfolio-level directive because, when the Plan’s program budgets are aggregated across customer sectors, incentive spending exceeds the 50% threshold and non-incentive costs remain below 50%. EE&C Plan at 14-15. Specifically, the Plan’s program budget tables divide each major program/component budget into “Incentive Total” (rebates, upstream/midstream buydowns, kits, and direct install materials & labor) and “Non-Incentive Total” (e.g., program design, administrative, EDC delivery costs, CSP delivery fees, marketing, and other delivery-related overhead). Using the Plan’s own Phase V totals from those tables, the Residential Energy Efficiency Program budgets \$29.987 million in incentives out of \$67.554 million total (44%); the Resource Constrained (low-income) program budgets \$29.168 million in incentives out of \$49.934 million total (58%); and the Business Program’s Small and Large C&I components budget \$53.815 million and \$32.901 million in incentives, respectively, out of \$89.320 million and \$58.598 million total (60% and 56%). See EE&C Plan at 27, 78, 114-15. When combined across these program budgets, incentives total approximately \$145.871 million out of \$265.406 million (about 55%), demonstrating that the overall Plan allocates at least 50% of its Phase V budget to incentives (and correspondingly less than 50% to non-incentive categories). Therefore, we find that PPL’s Phase V EE&C Plan, as a whole, satisfies our directive that at least 50% of its overall Phase V EE&C Plan budget be allocated to incentives, and that less than 50% be allocated to non-incentive cost categories.

(2) Application of Excess Phase IV Budget

(a) Requirements

EDCs cannot use excess Phase IV funds to implement Phase V programs. After June 1, 2026, the EDCs can only use Phase IV budgets to close out program delivery, EM&V, and reporting obligations for measures installed and commercially operable on or before May 31, 2026. Similarly, EDCs may continue to spend their

Phase IV budgets even if their consumption and/or peak demand reduction goals are met before the end of Phase IV. However, EDCs may spend their Phase IV budgets past May 31, 2026 only to account for those program measures installed and commercially operable on or before May 31, 2026, and to finalize the CSP and administrative fees related to Phase IV. The Commission's Bureau of Audits will subsequently reconcile Phase IV funds collected by the EDCs compared to Phase IV expenditures and direct the EDCs to refund any over-collections to the appropriate rate classes. *Phase V Implementation Order* at 239, 242.

Additionally, with respect to the caps on savings carryover percentages, we clarified, as follows:

- Energy (MWh) is **capped**, meaning that no more than 20% of an EDC's Phase V consumption reduction targets can be achieved by carryover savings from Phase IV.
- Peak demand savings (MW) is **discounted** by a factor of 50%, meaning that EDCs can only carry over half of the peak demand savings they achieve in Phase IV in excess of their Phase IV target towards Phase V peak demand reduction targets.
- Energy carryover is *capped but not discounted*. Peak demand carryover is *uncapped, but discounted*.

Phase V Implementation Order at 241 (emphasis in original).

(b) Disposition

In regards to Phase V cost accounting, PPL states the following:

PPL Electric Utilities will account for Phase V costs separately from those incurred in Phase IV or other phases using separate and distinct accounting numbers that correctly identify and organize charges by program, sector, and cost

category. The Company will use different accounting numbers for Phase V from those used in prior phases. Any costs associated with energy efficiency measures installed and operable on or before May 31, 2026, will be accounted for as Phase IV costs. Any costs associated with energy efficiency measures installed and operable after May 31, 2026, will be accounted for as Phase V costs.

EE&C Plan at 207.

According to PPL, it will combine its Phase IV and Phase V surcharges consistent with the *Phase V Implementation Order*²² by reconciling the actual costs incurred through March 31, 2026, with the actual revenues received through March 31, 2026. The Company will include the following, as clearly identified separate line items, in the reconciliation for the period April 1, 2025 through March 31, 2026: (1) the revenues and expenses of the remaining two months of Phase IV (*i.e.*, April 2026 and May 2026); (2) expenses to finalize any measures installed and commercially operable on or before May 31, 2026; (3) expenses to finalize any contracts; and (4) other Phase IV administrative obligations. Petition at 20, ¶ 51. The Company also submitted details on how its ACR-5 for Phase V will accomplish this transition. *See* PPL St. 3.

Consistent with the Commission's directive, PPL's Phase V Plan establishes a discrete Phase V budget of \$307,506,880, which equals the Commission-approved cap and does not incorporate any Phase IV carryover funds. EE&C Plan at 2, 204. Moreover, the Settlement modifies program allocations within the approved Phase V budget but does not seek to augment Phase V funding through excess Phase IV monies.

²² *See Phase V Implementation Order* at 248.

(3) Rebate Application Deadlines

(a) Requirements

In our *Phase V Implementation Order*, we required EDCs to include rebate deadlines in their Phase V EE&C Plans. Although we believe that EDCs and their stakeholders are in the best position to determine the appropriate deadlines, we suggested that 180 days be the maximum deadline. Thus, we proposed that, if an EDC includes a deadline for rebates longer than 180 days in their EE&C plan, that the EDC has the burden to provide a clear and reasonable rationale for the longer timeframe. *Phase V Implementation Order* at 242-44.

(b) Disposition

PPL's Plan complies with the *Phase V Implementation Order's* requirement that rebate application deadlines be limited to a maximum of 180 days after purchase (absent justification for a longer period) by expressly adopting a 180-day filing deadline in its Plan and clearly delineating the limited circumstances under which extensions may apply. *See* EE&C Plan at 40, 151.

Consistent with this directive, PPL's Phase V EE&C Plan includes specific sections titled "Deadline for Rebate Applications," which states that applications must be submitted within 180 days of installation for all measures except comprehensive measures (and solar installations), for which the deadline may be extended up to 365 days due to potential supply chain or documentation delays. EE&C Plan at 40, 151. The Plan further provides that final program year rebate applications must be submitted by May 31, 2031, thereby ensuring alignment with the Phase V implementation window. *Id.* By expressly setting a 180-day maximum filing period as the standard rule, identifying limited and justified exceptions, and committing to deadline transparency in

its Plan, PPL satisfies the Commission's directive that rebate deadlines be clearly defined and generally capped at 180 days.

2. Cost Effectiveness/Cost-Benefit Issues

a. Requirements

The Act requires an EDC to demonstrate that its plan is cost-effective, using the TRC Test approved by the Commission. 66 Pa.C.S. § 2806.1(b)(1)(i)(I). The TRC Test to be used for evaluating Phase V EE&C plans was approved by the Commission in the *2026 TRC Test Order*.

In our *Phase V Implementation Order*, we maintained the practice used in each prior Act 129 Phase, where Net-to-Gross (NTG) ratio research results are used for modifications to existing programs, as well as for planning purposes for future phases. Furthermore, we proposed that compliance in Phase V be determined using gross verified savings. Additionally, we proposed that the EDCs include in their EE&C Plans net TRC ratios, as well as gross TRC ratios, based on the best available estimates of NTG research for a given program type. We reserved the right to reject EE&C plans that rely heavily on measures with high expected rates of free ridership (*i.e.* program savings attributable to program participants who would have implemented a program measure or practice even in the absence of the program). We recognized that prospective NTG adjustments are less precise than retrospective adjustments, but stressed the importance of making adequate primary and secondary data available to the EDCs and their EM&V contractors to produce reasonable projections. We further stressed that the EDCs and their EM&V contractors should consider the vintage of NTG research when developing prospective NTG factors. We noted that as markets mature, the free ridership rate for a given technology will often increase. Moreover, we concluded that the inclusion of NTG-based TRC ratios would provide all stakeholders with additional information regarding the

effectiveness of EE&C measures and programs. *Phase V Implementation Order* at 218-22.

b. Disposition

In its Petition, PPL summarizes the cost-effectiveness areas of its proposed Phase V EE&C Plan. Petition at 15, ¶¶ 35-37. Section 8 (Cost Effectiveness) of the Plan provides that the Company's Phase V EE&C Plan is cost-effective based on a TRC criterion. See EE&C Plan, Section 8 (Cost Effectiveness) at 208-17. In addition, PPL includes data tables (Table 56 [Pa PUC Tables 14A] and Table 57 [Pa PUC Tables 14B]) presented in Section 8.4 of the Plan to show the cost-effectiveness of the EE&C Plan and TRC benefits by program and program year for each sector. PPL explains that it determined the life-cycle costs, savings, and avoided cost benefits for each measure to compute the measure's cost-effectiveness from a TRC perspective. According to PPL, application of the TRC Test identified that all programs (and specific customer sectors within a program) are expected to meet the cost-effectiveness threshold. Petition at 15, ¶ 37.

PPL's EE&C Plan also includes a Summary of Compliance Targets table that identifies the TRC Test requirement of 1.0, on a total portfolio basis, and reports a projected TRC ratio of 1.67 for the portfolio. EE&C Plan at 2. On review of the record evidence, we find that PPL has satisfied the requirement outlined in our *Phase V Implementation Order*, wherein we instructed EDCs to include net TRC ratios and gross TRC ratios. As such, we find that the Company's Plan, as a whole, is cost-effective.

3. Cost Allocation Issues

a. Requirements

66 Pa.C.S. § 2806.1(a)(11) requires that EE&C measures be financed by the same customer class that receives the energy and conservation benefits of those measures. In the *Phase V Implementation Order*, we stated:

In order to ensure that all approved EE&C measures are financed by the customer classes that receive the benefit of such measures, it will be necessary to first assign the costs relating to each measure to those classes to whom it benefits. Therefore, once the EDC has developed an estimate of its total EE&C costs as directed above, we proposed that the EDC be required to allocate those costs to each of its customer classes that will benefit from the measures or programs to which the costs relate. Those costs that demonstrably and exclusively relate to measures or programs that have been dedicated to a specific customer class should be assigned solely to that class. Those costs that relate to measures or programs that are applicable to more than one class, or that can be shown to provide system-wide benefits, should be allocated using reasonable and generally acceptable cost of service principles as are commonly utilized in base rate proceedings. Administrative costs should also be allocated using reasonable and generally acceptable cost-of-service principles.

Phase V Implementation Order at 244-46 (note omitted).

b. Disposition

Consistent with the Commission's above directive, PPL explains in its EE&C Plan that it will calculate and recover ACR-5 rates separately for its three customer classes, Residential, Small C&I, and Large C&I, and that each class will be

charged based on forecasted Phase V program costs applicable to that class. PPL St. 3 at 4-5. The Plan further provides that the Company will complete an annual reconciliation for each customer class by comparing ACR-5 revenues to actual expenses and will recover or refund any over or under-collections in the next program year, thereby ensuring cost responsibility remains aligned with class-specific program expenditures. PPL St. 3 at 5-6.

The Settlement further reinforces compliance by requiring that any FTM CVR Pilot costs and benefits, if implemented, be assigned to the appropriate rate class(es) and explicitly prohibiting allocation of CVR savings to the low-income carve-out. These provisions ensure that both traditional EE&C measures and any pilot initiatives adhere to the statutory and regulatory requirement that the customer class receiving the benefit of a measure finances that measure.

PPL includes tables in its Plan showing calculations of savings and costs for each program and program year. These tables are included in Section 7.3 of the Plan and contain the required cost and allocation information. More specifically, Table 51 (Pa PUC Table 11) contains specific assignments of EE&C costs for PPL's portfolio; Table 52 (Pa PUC Table 112) provides detail on the allocation of common costs to applicable customer sectors; and Table 53 (Pa PUC Table 113) provides a summary of portfolio EE&C costs.

Accordingly, through its class-specific ACR-5 rate design, cost allocation methodology consistent with cost-of-service principles, annual reconciliation process, and Settlement-based safeguards regarding pilot cost assignment, we find that PPL's Plan complies with the directive that EE&C measures be financed by the same customer class that receives the direct energy and conservation benefits of those measures and adequately addresses how PPL will allocate those costs that relate to measures that are

applicable to more than one class, or that can be shown to provide benefits across all classes.

4. Cost Recovery Issues

a. Requirements

The Act allows an EDC to recover from customers, on a full and current basis, through a reconcilable adjustment clause under 66 Pa.C.S. § 1307, all reasonable and prudent costs incurred in the provision or management of its plan. 66 Pa.C.S. § 2806.1(k)(1). Each EDC's plan must include a proposed cost-recovery tariff mechanism, in accordance with 66 Pa.C.S. § 1307 (relating to sliding scale of rates; adjustments), to fund all measures and to ensure a full and current recovery of prudent and reasonable costs, including administrative costs, as approved by the Commission. 66 Pa.C.S. § 2806.1(b)(1)(i)(H).

In the *Phase V Implementation Order*, the Commission adopted a standardized cost recovery and reconciliation process that will enable the EDCs and ratepayers to compare the cost recovery of program expenditures of all EDCs on an equal basis. We also concluded that it is beneficial to the EDCs and ratepayers that, with the implementation of Phase V, the annual surcharge should be based on the projected program costs that the EDC anticipates will be incurred over the surcharge application year to attain the conservation targets. Additionally, we noted that a reconciliation methodology based upon actual expenditures is consistent with Section 1307(e) of the Code, 66 Pa.C.S. § 1307(e), and allows for the provision of interest on over- or under-recoveries. Thus, we concluded that these measures would mitigate the over- or under-recovery of costs during the surcharge application period. As such, consistent with our

determination in the *Phase III Implementation Order*²³ and the *Phase IV Implementation Order*,²⁴ we did not require the provision of interest on over- or under-recoveries. *Phase V Implementation Order* at 247-48.

To further standardize the filing process, we directed that, beginning in 2026, the EDCs file the annual rate adjustment for the rate by May 1, to become effective June 1. Concurrent with the annual rate adjustment, the EDCs will submit, in a separate filing, the annual reconciliation statement within thirty days following the end of the reconciliation period, in accordance with Section 1307(e) of the Code, 66 Pa.C.S. § 1307(e). In order to transition from Phase IV, ending May 31, 2026, to Phase V, beginning on June 1, 2026, we proposed that each EDC reconcile its total actual recoverable EE&C plan expenditures incurred through March 31, 2026, with its actual EE&C Plan revenues received through March 31, 2026.²⁵ In addition, we directed each EDC to include as part of the calculation of the Phase V rates to become effective June 1, 2026, as clearly identified separate line items: (1) projections of the expenses to finalize any measures installed and commercially operable on or before May 31, 2026; (2) expenses to finalize any contracts; and (3) other Phase IV administrative obligations. The Phase IV rate that becomes effective June 1, 2025, will remain effective through May 31, 2026. We further directed each EDC to include, as clearly identified separate line items in the subsequent reconciliation period: (1) the revenues and expenses of the remaining two months of Phase IV (*i.e.*, April 2026 and May 2026); (2) expenses to finalize any measures installed and commercially operable on or before May 31, 2026;

²³ See *Phase III Implementation Order* at 49.

²⁴ See *Phase IV Implementation Order* at 141.

²⁵ Due to the timing of the filing, the reconciliation statement will contain 10 months of revenues and expenses. The remaining two months of Program Year 17 (*i.e.*, June 1, 2025 through May 31, 2026) will be reconciled with the Program Year 18 revenues and expenses. *Phase V Implementation Order* at 248, n.145.

(3) expenses to finalize any contracts; and, (4) other Phase IV administrative obligations. *Phase V Implementation Order* at 248-49.

Each EDC was directed to set forth the standardized reconciliation process and the calculation of the annual surcharge in a supplement or supplements to the EDC's tariff to become effective June 1, 2026, and to be accompanied by a full and clear explanation as to their operation and applicability to each customer class. The EE&C rates are subject to continuous Commission review and audit as well as reconciliation reports in accordance with Section 1307(e) of the Code, 66 Pa.C.S. § 1307(e). *Phase V Implementation Order* at 249.

b. Disposition

Consistent with our directive, PPL proposes to recover all prudent and reasonable costs associated with its Phase V EE&C Plan through its reconcilable ACR-5, calculated separately for Residential, Small C&I, and Large C&I customer classes, pursuant to Section 1307 of the Code, 66 Pa.C.S. § 1307. Petition at 19. The Company included the *pro forma* tariff supplement for the Company's proposed ACR-5 as part of PPL Statement No. 3.

PPL proposes to include any remaining ACR-4²⁶ over- or under- collections in its ACR-5 E-factor, as described on pages 248 and 249 of the *Phase V Implementation*

²⁶ ACR-4 is the Company's Act 129 Compliance Rider associated with Phase IV of the EE&C Program. PPL St. 3 at 4.

Order.²⁷ This will effectively combine the ACR-4 with the ACR-5, effective June 1, 2026.

The Plan further provides that PPL will conduct an annual reconciliation comparing ACR-5 revenues to actual Phase V expenses for each class and will adjust future rates to refund over-collections or recover under-collections, thereby maintaining revenue neutrality and compliance with statutory cost recovery requirements. Petition at 19.

The Settlement does not alter the recovery mechanism, but preserves the ACR-5 structure and annual reconciliation framework, while making internal program reallocations within the Commission-approved Phase V budget cap. Because the Settlement maintains the approved recovery rider and reconciliation process without expanding the authorized budget, the Plan, as modified, continues to comply fully with the *Phase V Implementation Order*'s requirements governing cost recovery and annual reconciliation.

²⁷ According to PPL, it will combine its Phase IV and Phase V surcharges consistent with the *Phase V Implementation Order* by reconciling the actual costs incurred through March 31, 2026, with the actual revenues received through March 31, 2026. The Company will include the following, as clearly identified separate line items, in the reconciliation for the period April 1, 2025 through March 31, 2026: (1) the revenues and expenses of the remaining two months of Phase IV (*i.e.*, April 2026 and May 2026); (2) expenses to finalize any measures installed and commercially operable on or before May 31, 2026; (3) expenses to finalize any contracts; and (4) other Phase IV administrative obligations. Petition at 20, ¶ 51. The Company also submitted details on how its ACR-5 for Phase V will accomplish this transition. *See* PPL St. 3.

C. Conservation Service Provider Issues

1. Requirements

In the *Phase V Implementation Order*, and as required by Act 129, the Commission required that all Phase V CSP contracts be competitively bid. *See* 66 Pa.C.S. § 2806.1(a)(7). As a result, the Commission required EDCs to file their Phase V request for proposal (RFP) procedures for Commission review and approval. EDCs were encouraged to file their proposed RFP process by August 30, 2025. If Commission staff did not comment on the proposed process within fifteen days of its filing, the EDC was permitted to use that process. We also clarified that we adopted the competitive bidding requirements with the modification that EDC contracts pertaining to Act 129 activities, which do not cover implementation or EM&V, may forgo the competitive bidding process with individual vendors if the cumulative value of contracts for that vendor's work does not amount to more than 1% of the EDC's Phase V budget. *Phase V Implementation Order* at 224-27.

PPL filed its RFP process on July 28, 2025, and Commission staff approved this process by Secretarial Letter dated September 8, 2025, at Docket No. M-2025-3052826.

2. Disposition

Consistent with our directive, PPL states that it has selected CSPs for EM&V and for implementation of the Residential, Business, and Resource Constrained Energy Efficiency Programs, although final contracts were not yet executed as of the filing date of its Plan (*i.e.*, December 1, 2025). EE&C Plan at 196. PPL indicates that it submitted its EM&V CSP contract for Commission approval on December 1, 2025, that it is currently negotiating CSP contracts to implement the Residential, Business, and

Resource Constrained Energy Efficiency Programs, and that RFPs for Overarching Energy Efficiency Marketing and Database are pending. *Id.* at 196, 221. As described in the Plan's development section, CSPs were chosen through an RFP process in which bidders were required to demonstrate the ability to achieve verified gross energy and demand savings, within budget, and to support cost-effectiveness objectives, thereby satisfying the competitive bidding requirement embedded in Commission policy and expressed in our *Phase V Implementation Order*. PPL St. 1 at 16.

In addition, the Plan provides that PPL will monitor CSP performance through daily, weekly, and monthly reporting, dashboards, and forecasting tools, and will shift funding among channels if necessary to maintain compliance with Act 129 targets. EE&C Plan at 195. The Settlement reinforces appropriate CSP utilization by requiring that the Company's EM&V CSP assess the performance of pilot initiatives, such as the CVR Pilot, and that costs and benefits be assigned to the appropriate customer classes. Settlement at ¶ 31. The Settlement also requires evaluation and reporting of the Peak Load Shift pilot within twelve months of implementation, further confirming that CSP-administered activities remain subject to structured review and accountability. Settlement at ¶ 36.

After review of the record evidence, we find that the Company's Plan provisions, set forth in Section 4.3 of the Plan, for the selection and the utilization of CSPs are consistent with the requirements of Act 129 and the *Phase V Implementation Order*. Additionally, we find the above provisions of the Settlement related to the use of CSPs to be in the public interest.

D. Implementation and Evaluation Issues

1. Implementation Issues

a. Requirements

The Act requires the Commission to establish procedures to ensure compliance with the consumption and peak demand reduction requirements of the Act. 66 Pa.C.S. § 2806.1(a)(9). To facilitate compliance determination, each EDC subject to Act 129 must include, in its Program Year 22 Final Annual Report, information documenting their gross verified consumption and PDRs acquired from June 1, 2026, through May 31, 2031. This filing must provide total portfolio savings as well as savings results for each category of interest called for in the EDC Annual Report Template prepared by the Phase V SWE. To comply with Act 129, an EDC must demonstrate that, during the period of Phase V (*i.e.* from June 1, 2026, through May 31, 2031), its plan produced energy savings and PDRs equal to or greater than the targets established in the *Phase V Implementation Order*. Carryover of excess savings from Phase IV to Phase V shall also be considered in the determination of compliance with Phase V targets. *Phase V Implementation Order* at 214-15.

b. Disposition

PPL's Plan complies with the Phase V Implementation Order's requirements regarding implementation and management strategies through a structured framework set forth in Section 4 (Program Management and Implementation Strategies) of the Plan and the enhanced oversight and adjustment provisions contained in the Settlement. Section 4 of the Plan describes PPL's governance structure, CSP oversight model, stakeholder engagement process, marketing strategy, reporting controls, and adaptive management tools designed to ensure that the portfolio meets statutory savings

targets within the approved budget and timeframe. The Plan explains that PPL will actively manage and monitor CSP performance through regular reporting, forecasting tools, and funding adjustments between channels and components as necessary to maintain compliance with Act 129 requirements. *See* EE&C Plan at 191-96. These management controls directly align with the *Phase V Implementation Order*'s requirement that EDCs maintain appropriate administrative oversight and monitoring structures for EE&C plan implementation.

Section 4 of the Plan also provides for ongoing stakeholder engagement and biannual meetings to review performance and discuss potential plan improvements, thereby creating a formal mechanism for recommending and implementing additional measures or reallocations, if needed, to achieve or exceed required reductions. The Settlement reinforces these management strategies by requiring annual review and potential reforecasting of Small C&I lighting performance, evaluation and reporting of pilot initiatives, and stakeholder review prior to implementation of the CVR Pilot. *See* Settlement at ¶¶ 28-31, 35.

On the basis of our review of the Company's EE&C Plan, we shall approve the implementation and management strategies contained in Section 4 of the Plan, having found them to be reasonable and consistent with Act 129 and the *Phase V Implementation Order*.

2. Monitoring, Reporting, and Evaluation Issues

a. Requirements

The Act requires the Commission to establish an evaluation process that monitors and verifies data collection, quality assurance, and the results of each EDC EE&C plan and the EE&C Program as a whole. *See* 66 Pa.C.S. § 2806.1(a)(2). While

Section 2806.1(b)(1)(i)(C) of the Code, 66 Pa.C.S. § 2806.1(b)(1)(i)(C), requires each plan to explain how to measure, verify, and evaluate quality assurance and performance, it is apparent that Section 2806.1(a)(2) of the Code, 66 Pa.C.S. § 2806.1(a)(2), requires the Commission to monitor and verify this data. This evaluation process is to be conducted every year, as each EDC must submit an annual report documenting the effectiveness of its EE&C plan, energy savings measurement and verification, an evaluation of the cost-effectiveness of expenditures, and any other information the Commission requires. *See* 66 Pa.C.S. § 2806.1(i)(1); *Phase V Implementation Order* at 205-06.

For Phase V, the Commission directed EDCs to file semiannual reports on January 15 of each year, which are to provide information regarding the first 2 quarters of the program year. Additionally, EDCs are to submit a final annual report by September 30 of each year, or 122 days after the end of the program year, with reported savings for the program year, a cost-effectiveness evaluation (*i.e.*, the TRC Test), a process evaluation, as well as other items required by Act 129 and Commission Orders. In addition, the Commission recognized the range of stakeholders interested in the installation of comprehensive, longer-lived, deeper-savings measures through EDC programs. Therefore, we directed the Commission's Bureau of Technical Utility Services (TUS) to work with the Phase V SWE to develop reporting requirements for comprehensive program offerings and whole-home, comprehensive measures for the EDCs in Phase V. *Phase V Implementation Order* at 210-11, 213-14.

b. Disposition

In its Petition, PPL provides the following summary of the measures it will undertake to monitor, report, and evaluate the various aspects of its EE&C Plan:

The Company's EM&V CSP will develop an evaluation plan, approved by the SWE, which describes the EM&V scope of work, objectives, methods, and activities for evaluating program impacts, processes, cost-effectiveness, and net savings analysis. This evaluation plan may be updated based on program changes, program metrics, codes or standards updates, and Pa TRM updates or changes to the Evaluation Framework.

PPL Electric Utilities' EM&V CSP will conduct annual evaluations of each program in compliance with all Pa PUC requirements, Pa TRM, and the Evaluation Framework. An impact evaluation will determine verified savings and confirm that all data required for the impact evaluation are available. A separate process evaluation will focus on the qualitative elements of the programs' design and implementation. During the annual evaluation, the EM&V CSP will also determine cost-effectiveness for the programs and portfolio using the TRC test, as well as a net verified savings analysis of each program. The net savings include the effects of free ridership and spillover.

EE&C Plan (Section 1.8.3 [Evaluation Processes]) at 12-13.

Section 6.5 (Strategy for Coordinating with the Statewide Evaluator) of PPL's Plan explains that the Company and its EM&V CSP will closely coordinate all evaluation, reporting, and verification activities with the SWE to ensure full alignment with the Commission-approved Phase V Evaluation Framework. The Plan provides that impact evaluations will serve as the primary method for verifying measure installation and quantifying energy and peak demand reductions, and that all evaluation plans, detailing methodology, sampling, and verification approaches, will be reviewed for

approval by the SWE. PPL further commits to coordinating and attending quarterly and/or ad hoc working sessions with the SWE to discuss TRM issues, savings methodologies, and other critical matters, and to maintaining open and collaborative communication for clarification of protocols and decisions. EE&C Plan at 203.

In Section 5.1 (Annual Reports) of its Plan on page 199, PPL specifically states that it “will provide semiannual and annual reports to the Commission and/or SWE in accordance with the milestones outlined in Table 23 of the [*Phase V Implementation Order*]. The Company will assess and respond to *ad hoc* reporting requests in good faith, as it is able.”

PPL also notes its commitment to keeping customers, stakeholders, and the general public informed about the results of the energy efficiency program components and progress toward Plan goals. In this regard, PPL states that its website provides Act 129 information, including semiannual and annual evaluation reports and stakeholder presentations, and provides contact information that allows for feedback. Additionally, PPL indicates that “the Company and EM&V CSP will implement an evaluation plan for each program and/or component, which may include customer and trade ally surveys as part of impact and process evaluations. This effort is supplemented by implementation CSP customer satisfaction surveys used for program enhancements.” EE&C Plan at 202.

Finally, regarding the ongoing evaluation of its Phase V EE&C Plan, PPL submits that its staff plans to carefully monitor actual program performance compared to estimates in the EE&C Plan. In addition, PPL avers that its independent evaluator will conduct an impact evaluation, an annual cost-effectiveness evaluation, and process evaluations of each program and the overall portfolio. If actual performance deviates from the estimates in the EE&C Plan, PPL will work with its program implementation CSPs to adjust the performance of programs or will recommend changes to the EE&C Plan. PPL notes that this would include modifying marketing tactics, adjusting incentive

levels within specified ranges, offering different measures at different times, and offering multiple delivery channels. To the extent that there are any changes that require Commission approval, PPL represents that it will seek approval of such changes in accordance with the EE&C Plan change procedures outlined in the Commission’s *Minor Plan Change Order* and the *Phase V Implementation Order*. PPL St. 1 at 15.

Based on our review of PPL’s EE&C Plan, it appears that its monitoring, reporting, and evaluation strategies are reasonable and consistent with Act 129 and our *Phase V Implementation Order*.

E. Other Issues

1. Coordination with Other State Conservation Programs

In the *Phase V Implementation Order*, we noted that while conservation programs funded by the Federal Inflation Reduction Act of 2022 (IRA) and coordinated by the Pennsylvania Department of Environmental Protection (DEP)²⁸ are a relatively new and noteworthy addition to the Commonwealth’s energy conservation landscape, there are several other conservation programs with which Act 129 programs should coordinate. These include the following:

- Alternative Energy Portfolio Standards Act of 2004, 73 P.S. §§ 1648.1 – 1648.8 and 66 Pa.C.S. § 2814 (AEPS Act) credits administered by InClima with oversight by the Commission
- LIURP and the Low Income Home Energy Assistance Program (LIHEAP).

²⁸ See <https://www.dep.pa.gov/Citizens/Energy/Pages/Inflation-Reduction-Act.aspx>

- Home Efficiency Rebates (HER) and Home Electrification and Appliances Rebate (HEAR) programs managed by the DEP Energy Programs Offices.
- DEP’s Agricultural Energy Efficiency Rebate Program.
- DEP’s Reducing Industrial Sector Emissions in Pennsylvania (RISE PA) Program.
- DEP’s Solar For All Program.

Phase V Implementation Order at 157-58.

a. Braided Funding

(1) Requirements

In the *Phase V Implementation Order*, we noted that the availability of increased funding from outside of Act 129 should help accelerate conservation programming in the Commonwealth. We stressed the importance of Pennsylvania EDCs collaborating, rather than competing, with other program administrators. We proposed that EDCs track and report all outside funding by source, as well as the leverage ratio for each of their EE&C programs and the portfolio as a whole, noting that EDCs should already track the external funding of the EE&C projects they incentivize, in order to produce accurate TRC Test results. We also proposed defining the leverage ratio as the amount of known external funding for Phase V EE&C projects, relative to the Act 129 incentives issued for those same projects. Further, we directed the EDCs to track any administrative costs incurred to support the braiding of funds. *Phase V Implementation Order at 158-59, 166-68.*

(2) Disposition

Consistent with our directive above, in Section 4.4 of its EE&C Plan (Coordination with Other State Conservation Programs), PPL explains that the Company

and its selected CSP will work with external program implementation vendors to ensure appropriate incentive allocation and minimize customer burden, including coordination with gas and water utilities and DEP-administered programs, and that the Company will share program and customer data, as directed by the Commission. EE&C Plan at 196-97. The Plan further states that, where external funding information is provided by outside program administrators, the Company will track that information accordingly. *Id.* at 23. Specifically, PPL states that it “will request aggregate, anonymous participation data, by sector, for external funding from known and available programs, through the program administrator or its agent, to calculate the leverage ratio for reporting.” *Id.* at 198.

Therefore, we find that PPL’s Plan satisfies our requirement, set forth in the *Phase V Implementation Order*, regarding the tracking and reporting of participation and funding from other external conservation programs, by source, and the associated leverage ratios.

b. Heat Pumps and other Fuel Switching

(1) Requirements

In the *Phase V Implementation Order*, although we recognized the greenhouse gas reduction potential of such initiatives, we also explained that beneficial electrification programming that encourages customers to replace fossil fuel equipment with electric equipment runs counter to the objectives of the Act and its clear focus on reductions in electricity consumption and peak demand, and thus should not be included in Phase V EE&C plans. Nonetheless, we acknowledged that the expected expansion of other state and federal conservation programs in the Commonwealth creates an opportunity for the EDCs to support this type of initiative without violating the intent of Act 129. Specifically, the Commission noted, if another state program incentivizes a fuel switching upgrade, the EDCs can and should incentivize the home or business to install a

high-efficiency electric unit. Therefore, the Commission proposed that each EDC include in its EE&C plan high-efficiency heat pump and heat pump water heater measures available to HEAR and other non-Act 129 program participants, along with a description of how program delivery will target these bundled, or interwoven, funding opportunities. *Phase V Implementation Order* at 168-69, 174-75.

(2) Disposition

In Section 4.4.1 (Coordination with Other State Conservation Programs) of its Plan, PPL explains that the Company and its selected CSP will work with external program implementation vendors to ensure appropriate incentive allocation and minimal customer burden, including referencing the Penn Energy Savers website and coordinating with DEP-administered programs, such as HER and HEAR. EE&C Plan at 196-97. The Plan further provides that, where measures overlap with non-Act 129 programs, PPL will help customers access all available incentives and will track external incentive levels when provided by external vendors. EE&C Plan at 23.

In addition, the Settlement enhances delivery of high-efficiency electrification measures by committing PPL to expand its Enhanced Trade Ally Network to include heat pump water heater technology training and trade allies, thereby supporting market readiness and coordinated promotion of heat pump/heat pump water heater measures eligible for HEAR and other incentives. *See Settlement* at ¶ 33.

Collectively, the inclusion of heat pump and heat pump water heater measures within the Residential and Resource Constrained portfolios, the coordination framework in Section 4.4.1 for data sharing and referral processes, and the Settlement's trade ally enhancements demonstrate compliance with the *Phase V Implementation Order's* directive to incorporate high-efficiency heat pump measures and describe how program delivery will facilitate bundled or interwoven funding opportunities across

Act 129 and non-Act 129 programs. Therefore, on review, we find that PPL has complied with our directive in our *Phase V Implementation Order* regarding the inclusion of heat pumps and heat pump water heater measures.

c. Data Sharing Between EDCs and State Agencies

In our *Phase V Implementation Order*, the Commission agreed that increased data sharing between EDCs and state agencies is important for Phase V of the EE&C Program, given the expected increase in external (to Act 129) funding sources. However, we stressed that the objective of our *Phase V Implementation Order* was to establish compliance targets for Phase V of the EE&C Program and to provide the EDCs with the necessary guidance to develop their Phase V EE&C plans. We further noted that, while relevant to Act 129, data sharing is a much broader topic, which is best addressed in a dedicated proceeding. Accordingly, we did not require the EDCs to include information regarding data sharing between EDCs and state agencies in their Phase V EE&C plans. Instead, we directed TUS, with the assistance of the Commission’s Bureau of Consumer Services (BCS) and the Law Bureau, to convene a working group, within 45 days of the issuance of the *Phase V Implementation Order*, to work with stakeholders to explore certain topics regarding data sharing. We further directed the working group to provide recommendations to the Commission on potential solutions and next steps to foster secure data sharing between program administrators. *Phase V Implementation Order* at 175, 180-82.

d. Support with AEPS Act Registrations

(1) Requirements

In the *Phase V Implementation Order*, we noted that the AEPS Act promotes the development and use of alternative and renewable energy sources and seeks

to reduce the Commonwealth's reliance on traditional fossil fuels. We stated that the AEPS Act requires EDCs to obtain a prescribed percentage of their retail electric sales from qualifying alternative energy resources. We also stated that Act 129 programs should contribute more Alternative Energy Credits (AEC) than current registration patterns indicate. We further noted that AEPS registration would provide an additional recurring revenue stream for program participants on top of the upfront EDC rebate, and that the additional supply of AECs could help drive down the cost of compliance for the EDCs. Therefore, we directed each EDC to include a process in its EE&C plan to help facilitate AEPS Act registration for C&I participants of Act 129 programs to register their energy efficiency projects and to take advantage of elevated AEC pricing. We posited that each EDC could design this support in a way that aligns with the needs of its customers and treat the cost of AEPS Act registration support as a recoverable administrative cost. *Phase V Implementation Order* at 182-83, 184.

(2) Disposition

Consistent with our directive, Section 4.4.3 of PPL's Plan, titled "AEPS Registration Support," provides that customers participating in programs with measures meeting AEPS eligibility requirements will receive information regarding AEPS registration, encouragement to take advantage of available AEC benefits, and technical assistance upon request. The Plan further explains that this support will be delivered as part of a "concierge service" through the Business Energy Efficiency Program and that the selected CSP will receive Company training on appropriate protocols for providing AEPS registration support to eligible customers. EE&C Plan at 197-98. In addition, the Plan's tracking and reporting infrastructure supports this facilitation effort. PPL commits to using a comprehensive tracking database and reporting systems to support program implementation, evaluation, and required reporting to applicable entities. *Id.* at 199.

Through the inclusion of a defined AEPS Registration Support section, the provision of technical assistance and training to CSPs, the integration of support into its Business Energy Efficiency Program delivery model, and the use of established tracking and reporting systems, PPL's Plan satisfies the *Phase V Implementation Order's* directive to incorporate a process that facilitates AEPS Act registration for C&I Act 129 participants and enables them to take advantage of elevated AEC pricing.

e. IRA-Required Audits

(1) Requirements

In our *Phase V Implementation Order*, we explained that other conservation programs will invariably have different rules, eligibility criteria, and administration processes than Act 129 EE&C programs administered by the EDCs. We highlighted that one such example is the HER program requirement to complete American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) Level 2 audits, which represent a significant upfront investment, but which may or may not result in the identification of savings opportunities. As such, we noted that there is no guarantee that a prospective program participant will move forward with some, or all, of the savings opportunities identified due to limited access to capital or other considerations. Nonetheless, we highlighted that the need for this type of technical assistance will likely grow as conservation programs look to move beyond lighting measures and achieve deeper savings in homes and businesses. *Phase V Implementation Order* at 184-85.

Based on the foregoing, we found it reasonable for the EDCs to co-fund ASHRAE Level 2 audits or other technical scoping studies for sites they believe are likely to provide a return on the upfront investment. We noted that in exchange for sharing the cost of the upfront audit, the EDCs should be entitled to provide rebates or direct installation for all eligible electric measures and claim the full associated savings

towards Phase V targets. Thus, we stated that EDCs shall have the flexibility to propose audit co-funding budgets and criteria in their Phase V EE&C plans. We further stated that co-funding an audit alone does not entitle an EDC to full electric savings. Instead, we explained, EDCs must also incentivize or directly install eligible electric measures to claim the full associated savings towards Phase V targets. Finally, we clarified that while EDCs shall be required to contribute financially to audit costs, they will not be required to secure the necessary personnel to perform the audits. Rather, we stated that IRA program administrators should secure the necessary vendors to complete the ASHRAE Level 2 audits. *Phase V Implementation Order* at 185, 187-88.

(2) Disposition

Consistent with our directive, PPL's Phase V Plan incorporates a structured coordination approach in Section 4.4, addressing collaboration with other state conservation programs and external funding sources, which encompasses programs with IRA-driven audit requirements. PPL's Plan includes comprehensive custom and prescriptive offerings in its Business Energy Efficiency Program, including HVAC, advanced controls, water heating, compressed air, CHP, and other custom efficiency projects that would typically be identified through detailed technical audits such as ASHRAE Level 2 studies. PPL St. 1 at 14; EE&C Plan at 196-97. The Plan also provides that customers of any sector may take advantage of eligible measures across programs, with costs recovered by the appropriate customer class. *Id.* This program design ensures that when customers undergo IRA-required audits, PPL's portfolio contains the necessary measure pathways to implement identified electric efficiency opportunities and deliver rebates or direct installation, consistent with Commission guidance. Specifically, PPL indicates that the Company has met directly with DEP and their program implementation vendor to better understand their needs and has committed to providing 100% of ASHRAE Level 2 multifamily audit costs for the forecast provided by DEP and its vendor. PPL St. 1-R at 34.

The Plan's tracking and reporting infrastructure further supports compliance with the IRA audit directive. PPL states that it will utilize a comprehensive tracking database, supported by Company accounting systems and business intelligence tools, to maintain records of all program-relevant implementation activities, calculate savings, and support required reporting. EE&C Plan at 199. This infrastructure enables the Company to track projects emerging from ASHRAE Level 2 audits, document cost-sharing arrangements where applicable, and properly attribute electric savings toward Phase V consumption and peak demand targets, consistent with Commission guidance.

The Settlement reinforces this compliance by requiring PPL to convene and maintain ongoing coordination meetings with other utilities and program administrators and to develop a formal coordination plan outlining current and future collaboration activities. Settlement at ¶ 42; PPL Statement in Support at 23-25.

Accordingly, we find PPL's EE&C Plan to be in compliance with our directive in our *Phase V Implementation Order* regarding IRA-required audits.

f. Coordinated Marketing Campaigns

(1) Requirements

In our *Phase V Implementation Order*, the Commission noted that because the Act 129 EE&C Program, and other conservation programs in the Commonwealth, are inherently focused on a common pool of electric account holders, EDCs and other program administrators should consider joint marketing campaigns that highlight the availability of multiple funding sources. We stated that our intent was not to prescribe jointly developed communications, but to encourage the EDCs to highlight the availability of multiple funding sources and to provide prospective Act 129 participants

with information as to where they can learn more about external funding opportunities. Although we declined to establish a common statewide platform, we stressed our position that EDCs should explore coordinated marketing efforts where such activities are likely to improve the leverage ratio of Phase V EE&C plans. *Phase V Implementation Order* at 188, 190.

(2) Disposition

Section 9.2.2 of PPL's Plan states:

PPL Electric Utilities provides customers with information about external funding opportunities for EE&C on its energy efficiency website, including links to available application sites if available, while integrating potential funding into marketing outreach where appropriate. Due to the uncertainty around external funding, it is not utilized when forecasting total Phase V energy reduction performance, but rather will be leveraged to potentially improve cost-effectiveness if available. As previously mentioned, the Company and selected CSPs will work with external program implementation vendor(s) to ensure minimal impact to customers and appropriate incentive stacking.

EE&C Plan at 219-20. Regarding coordination, specifically with state programs, PPL's Plan includes a dedicated coordination framework in Section 4.4 that addresses collaboration with other state conservation programs and external funding sources. Specifically, regarding coordination with LIURP, PPL indicates that the Company's coordination activities currently include joint marketing, integrated and seamless customer intake, internal administrative collaboration and management alignment, and consistent quality assurance and control approaches. PPL St. 1-R at 35.

The Settlement strengthens and operationalizes this coordinated marketing approach. Under the Settlement, PPL commits to convening coordination meetings with

its LIURP manager, representatives from the Weatherization Assistance Program, UGI Gas, Pennsylvania American Water, and other stakeholders to discuss enhanced program coordination during Phase V. Settlement at ¶ 39. The Company further commits to developing a formal coordination plan outlining current collaboration activities and proposed enhancements, including implementation timelines. *Id.* at ¶ 40. These coordination plan requirements ensure that marketing efforts are not static, but will evolve over time to reflect available funding streams and best practices in braided funding outreach. At the start of Program Year 19, and at least annually thereafter through the duration of the Phase V Plan, the Company has committed to convene ongoing program coordination meetings consistent with the stakeholders and topics identified in Paragraph 39 of the Settlement. The Parties to this proceeding will be invited to these meetings and their focus will be to further refine and advance implementation of the coordination Plan. *Id.* at ¶ 41. The Settlement also provides that these coordination efforts will be reviewed at biannual stakeholder meetings, enabling transparency and ongoing refinement of joint messaging and outreach strategies. *Id.* at ¶ 42.

Additionally, PPL commits to continued collaboration with Key Account Managers, Business Accounts Services, and other internal teams to increase awareness of Act 129 programs among small and large commercial and industrial customers. Settlement at ¶ 44. This internal coordination supports consistent, customer-facing messaging that highlights available rebates, external funding opportunities, and potential stacked incentives. By aligning internal account management outreach with external program coordination, PPL creates a cohesive marketing strategy that advances the Commission's directive to highlight multiple funding sources in a coordinated manner.

Therefore, we find that PPL's Plan satisfies our directives in our *Phase V Implementation Order* regarding coordinated marketing campaigns that highlight the availability of multiple funding sources.

2. Working Groups and Enhanced Transparency for Stakeholders

In our *Phase V Implementation Order*, the Commission considered several stakeholder recommendations to facilitate enhanced stakeholder engagement and to establish a variety of working groups. However, we found that stakeholder meeting mandates would add to the EDCs' administrative costs, without providing a clear benefit. Thus, we declined to establish additional working groups or stakeholder engagement mechanisms beyond the data sharing working group, discussed above. The Commission opined that the EDCs and participating stakeholders have developed a well-functioning system of stakeholder engagement that allows for mutual feedback to aid in the implementation of successful EE&C programs. *Phase V Implementation Order* at 250-53. Through this Opinion and Order, we reinforce our belief that directing the establishment of additional working groups would not be a prudent investment of limited resources.

3. Statewide Contractor Training and Workforce Development Programs

In the *Phase V Implementation Order*, the Commission considered certain recommendations to adopt statewide contractor training and workforce development programs. However, we declined to adopt these recommendations, finding the creation of such training and development programs to be beyond the scope of our Phase V EE&C Program. *Phase V Implementation Order* at 253-54. We reinforce this finding in this Opinion and Order.

F. Overall Disposition of the Settlement

As noted in Section IV.B, *supra*, the Commission has articulated its general policy favoring settlements. *See* 52 Pa. Code § 5.231(a); *see also* 52 Pa. Code §§ 69.401,

et seq. However, we must also determine whether the proposed terms and conditions, therein, are in the public interest. *See C.S. Water and Sewer, supra.*

Upon review of the Settlement, we find that PPL's EE&C Plan, as modified by the Settlement, is in the public interest because it includes and/or addresses all of the elements prescribed by Section 2806.1 of the Code, 66 Pa.C.S. § 2806.1, the applicable Commission Regulations, and the Commission's policies for its EE&C Program. The Settlement provides for certain modifications to PPL's Initial Plan and represents a compromise among the Joint Petitioners that resolves all of the issues that have been raised in this proceeding. Based on our review of the record, we conclude that the proposed Settlement is in the public interest and shall approve it, without modification.

We are in agreement with the Joint Petitioners that the proposed Settlement represents a reasonable compromise and resolution of the issues that the Joint Petitioners raised in this proceeding. In the instant proceeding, the Joint Petitioners unanimously assert that the proposed Settlement is in the best interests of PPL and its customers and reflects a carefully balanced compromise of the interests of all of the active Parties in this proceeding. Settlement at 4. The Joint Petitioners further assert, and we agree, that approval of the Settlement will avoid further administrative, and possible appellate, proceedings, thereby avoiding substantial costs to the Joint Petitioners and to PPL's customers by lending certainty to the outcome of this proceeding. *Id.* at 9-10.

As discussed in Sections V.A-E, above, we also find that PPL's Plan, as modified by the Settlement, satisfies each of the directives set forth in our *Phase V Implementation Order*, and is therefore in the public interest. Moreover, in addition to the avoidance of litigation and associated costs, Paragraphs 23 through 44 of the Settlement strengthen PPL's EE&C Plan by: (1) increasing comprehensive low-income investment; (2) adding compliance safeguards; (3) strengthening pilot governance and EM&V oversight; (4) addressing lighting risk; (5) improving electrification delivery;

(6) formalizing coordination with external programs; and (7) enhancing evaluation commitments and transparency, and reinforcing C&I outreach. Each of the terms, as outlined below, operate within the Commission-approved budget:

Resource Constrained Energy Efficiency Program (Settlement at ¶¶ 23–26)

Increased Comprehensive Measure Funding (Settlement at ¶ 23)

- The Settlement increases the budget for long-term savings measures within the Resource Constrained Energy Efficient Homes component from \$7.5 million to \$9.0 million and clarifies that these measures include building insulation, air sealing, efficient heat pumps, and heat pump water heaters designated as “comprehensive” in the Commission’s Phase V template. By reallocating resources toward deeper, longer-lived measures, this term strengthens the Plan’s ability to deliver durable MWh and MW reductions in the low-income sector and aligns with the Commission’s directive to prioritize comprehensive and meaningful savings outcomes.

Enhanced Low-Income Outreach and Cross-Participation (Settlement at ¶ 24)

- The Settlement requires the Resource Constrained Energy Efficiency Program CSP to follow up with Appliance Recycling participants to facilitate audits for additional measures, track cross-participation levels, and report those metrics at biannual stakeholder meetings. It also mandates development of a tailored marketing plan linking Appliance Recycling with no-cost Resource Constrained Energy Efficiency Program measures. These provisions strengthen compliance by improving program integration, increasing conversion from single-measure participation to comprehensive retrofits, and embedding transparency and performance tracking into low-income delivery.

Reallocation of Student Education Funds (Settlement at ¶ 25)

- The Settlement removes the Student Energy Education component from the low-income program and reallocates those funds to the Resource Constrained Energy Efficiency Program Homes component, while prohibiting counting low-income student participation in the Residential Student Education component toward the low-income target. This reinforces compliance integrity by ensuring low-income savings claims are grounded in verifiable, measure-based improvements rather than kit distribution, consistent with the *Phase V Implementation Order’s* emphasis on measurable and attributable savings.

Health and Safety Funding (Settlement at ¶ 26)

- The Settlement allocates \$2 million (with flexibility to add more if necessary and available) for health and safety repairs needed to enable installation of

comprehensive measures. Because health and safety barriers often prevent low-income households from qualifying for major retrofits, this provision strengthens the Plan’s practical ability to achieve its low-income carve-out requirement and aligns with the Commission’s recognition that addressing such barriers unlocks conservation potential.

Residential Program Compliance Safeguards (Settlement at ¶¶ 27–34)

Portfolio Compliance Check (Settlement at ¶ 27)

- The Settlement requires PPL to evaluate total portfolio savings at the end of Program Year 21 and, if projected to exceed the compliance target, refrain from reporting Student Education kit savings in the final year. This creates a conservative reporting safeguard that reduces risk of over-claiming savings and reinforces accurate end-of-phase compliance demonstration.

CVR Pilot Feasibility and Governance (Settlement at ¶¶ 28-32)

- These provisions require a feasibility study in Program Year 18, reallocation of funds if infeasible, and, if feasible, a detailed pilot proposal including objectives, performance metrics, projected costs, energy and demand savings, and a budget cap of \$1.0 million. Stakeholder review and submission to TUS/SWE with attached comments are required. These safeguards align with the *Phase V Implementation Order*’s requirements for disciplined pilot design, cost assignment integrity, and evaluation oversight.

Trade Ally Network Expansion (Settlement at ¶ 33)

- The Settlement expands the Enhanced Trade Ally Network to include heat pump water heater technology training and trade allies. This strengthens delivery capability for high-efficiency electrification measures that the Commission directed EDCs to incorporate and coordinate with other funding sources.

Electrification Incentive Consideration (Settlement at ¶ 34)

- The commitment to consider additional incentives for 100% electric homes supports targeted market transformation and aligns with Phase V objectives to maximize electric efficiency opportunities while leveraging complementary programs.

Business Program Risk Controls and Demand Management (Settlement at ¶¶ 35-38)

Lighting Performance Reforecasting (Settlement at ¶ 35)

- Annual review of Small C&I lighting performance, with required reallocation to non-lighting measures if results fall below 70% of forecast, directly addresses the Commission’s concern regarding over-reliance on non-residential lighting and ensures diversified savings acquisition.

Peak Load Shift Evaluation and Transparency (Settlement at ¶¶ 36-38)

- These provisions require evaluation of the Peak Load Shift pilot within twelve months, integration into quarterly reviews, reporting on fossil-fuel backup generator usage, and tracking/reporting of small-business participation. These provisions enhance accountability, ensure environmental transparency, and strengthen compliance with demand reduction targets.

Coordination with External Programs and Braided Funding (Settlement at ¶¶ 39-42)

Formal Coordination Meetings and Plan Development (Settlement at ¶¶ 39-42)

- PPL must convene coordination meetings beginning in PY18 and annually thereafter, develop a written coordination plan outlining enhancements and timelines, and provide biannual stakeholder updates. These requirements operationalize the Commission’s directive to coordinate with LIURP, WAP, and other administrators to streamline applications, share data, and reduce duplication.

Financing, Evaluation, and C&I Outreach (Settlement at ¶¶ 43–44)

Third-Party Financing Safeguards (Settlement at ¶ 43)

- The Settlement requires exploration of third-party financing through a pilot framework, stakeholder input on eligibility and design, encouragement of audits, coordination with the SWE, and inclusion of anonymized usage data in annual reports. These provisions ensure evaluation thoroughness and protect cost-effectiveness standards.

Enhanced C&I Outreach (Settlement at ¶ 44)

- Ongoing collaboration with Key Account Managers and internal teams strengthens coordinated outreach and consistent messaging to business customers, enhancing participation and compliance reliability.

In light of the above, we find that it is in the public interest to: (1) approve the terms and conditions of the Settlement, without modification; and (2) approve PPL’s Phase V EE&C Plan, as modified by the Settlement, having found it to be reasonable and consistent with Act 129 and the *Phase V Implementation Order*.

VI. Conclusion

For the reasons set forth, *supra*, and based on our review of the record and the applicable law, we conclude that PPL's EE&C Plan is in full compliance with the provisions of Act 129 and the directives contained in the *Phase V Implementation Order*. We further conclude that the Settlement is in the public interest. Accordingly, we shall: (1) grant the Joint Petition, and, thereby, approve the Settlement, without modification; and (2) grant PPL's Petition, and thereby, approve the Phase V Plan, as modified by the terms and conditions of the Settlement, consistent with the discussion in this Opinion and Order; **THEREFORE**,

IT IS ORDERED:

1. That the Joint Petition for Settlement of All Issues, filed on February 13, 2026, by PPL Electric Utilities Corporation, the Office of Consumer Advocate, the Office of Small Business Advocate, the Commission on Economic Opportunity, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania, and the Sustainable Energy Fund, hereby, is granted, and the Settlement, attached thereto, is thereby approved, without modification, consistent with Opinion and Order.

2. That the Petition of PPL Electric Utilities Corporation for Approval of its Act 129 Phase V Energy Efficiency and Conservation Plan, filed on December 1, 2025, is granted, and the Phase V Energy Efficiency and Conservation Plan, attached thereto as "Attachment A (PPL Electric Exhibit 1 – Phase V EE&C Plan)," is thereby approved, as modified by the terms and conditions, of the Settlement, consistent with this Opinion and Order.

3. That, within sixty (60) days from the date of entry of this Opinion and Order, PPL Electric Utilities Corporation shall file the appropriate revisions or amendments to its Act 129 Phase V Energy Efficiency and Conservation Plan, consistent with the terms and conditions of the Joint Petition for Settlement of All Issues.

4. That PPL Electric Utilities Corporation shall comply with all directives and conclusions contained in this Opinion and Order, including the terms and conditions of the Joint Petition for Settlement of All Issues filed in this proceeding, that are not the subject of individual ordering paragraphs, as if they were the subject of an individual ordering paragraph.

5. That a copy of this Opinion and Order be served on all Parties to this proceeding, as well as the Commenting Parties, who are not Parties to this proceeding, but who filed Comments on January 16 and 18, 2026, to PPL Electric Utilities Corporation's Act 129 Phase V Energy Efficiency and Conservation Plan.

BY THE COMMISSION,

A handwritten signature in cursive script, reading "Matthew L. Homsher".

Matthew L. Homsher
Secretary

(SEAL)

ORDER ADOPTED: March 26, 2026

ORDER ENTERED: March 26, 2026