
Dear Secretary Chiavetta:


The Office of Small Business Advocate ("OSBA") has been a participant in the ARRA working group. While the OSBA does not agree with everything in the ARRA working group's report, the OSBA believes its position on the contested issues is adequately represented. Furthermore, the OSBA reserves the right to file reply comments.

In order to evaluate the positions of the various parties, the OSBA respectfully requests that the Commission identify the risks if Pennsylvania does not adopt conservation measures which exceed Act 129, in the case of electric distribution companies ("EDCs"), and does not adopt mandatory conservation measures for natural gas distribution companies ("NGDCs") (collectively, "Additional Conservation Measures").

As the report demonstrates, the parties disagree over what the ARRA actually requires. One element of statutory construction is consideration of the consequences of the various plausible interpretations. As part of their advocacy, the EDCs and NGDCs imply that there will be dire consequences if the Commission does not adopt their aggressive interpretation of the ARRA. Unfortunately, none of the EDCs or the NGDCs provided answers to questions such as the following:
1. To what extent, if at all, is the Commonwealth at risk of having to return federal funding if it does not adopt Additional Conservation Measures?

2. How much, if any, additional funding might the Commonwealth receive if it does adopt Additional Conservation Measures?

3. To what extent, if at all, are the Commonwealth’s EDCs and NGDCs at risk of having to return federal funding if the Commonwealth does not adopt Additional Conservation Measures?

4. How much, if any, additional funding might the Commonwealth’s EDCs and NGDCs receive if the Commonwealth does adopt Additional Conservation Measures?

Thank you for consideration of the foregoing comments.

Sincerely,

William R. Lloyd, Jr.
Small Business Advocate
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