## PENNSYLVANIA PUBLIC UTILITY COMMISSION Harrisburg, Pennsylvania 17105-3265

Petition of PPL Electric Utilities Corporation for Approval of its Energy Efficiency and Conservation Plan

Public Meeting: October 15, 2009

2093216-OSA

Docket No: M-2009-2093216

## **Statement of Vice Chairman Tyrone J. Christy**

Before the Commission for consideration is the Petition of PPL Electric Utilities Corporation (PPL) for Approval of its Energy Efficiency and Conservation Plan (Plan). PPL filed this Plan pursuant to Act 129 of 2008 (Act 129) and our Implementation Order of January 16, 2009 at Docket No. M-2008-2069887. Numerous parties intervened, filed comments, main briefs and reply briefs, and the entire record was certified to the Commission for consideration and disposition.

First, I would like to express my sincere gratitude to the Commission employees within the Office of Special Assistants, the Law Bureau, the Bureau of Conservation, Economics and Energy Planning, the Bureau of Fixed Utility Services, the Bureau of Consumer Services, the Office of Administrative Law Judge and the Office of Trial Staff for their efforts in these complex proceedings involving our major jurisdictional electric utilities. I commend them for providing thorough and extensive Opinion and Orders for each of these proceedings, simultaneously and under a strict legislative timeline. This has truly been a team effort which deserves our recognition. I also would like to thank the many interveners for their efforts and participation in these proceedings.

I specifically wish to address PPL's proposal to offer approximately 14,000 customers served under Rate RTS, Residential Thermal Storage, a \$550 incentive to switch to a natural gas furnace. The Commission has decided to allow PPL's inclusion of this fuel switching component as filed, and I wholeheartedly agree. As PPL's rate caps expire on January 1, 2010, customers served on Rate RTS could experience one of the largest rate increases of all classes of customers because of the phase out of the special rate discounts previously offered by PPL to encourage customers to utilize the all electric heat option. These customers could experience rate increases of up to 60% this January. For this reason, I fully support the additional measures proposed by PPL to provide another option to assist these customers and an incentive for them to switch to an alternate heating source.

I am voting today to approve PPL's Plan as modified by this Opinion and Order, but I do have an overriding concern about the overall cost effectiveness of the Plan. It is very important that the Commission exercise judicial efficiency during the implementation phase of the Plan elements. This Order includes numerous requirements regarding meetings, stakeholder working groups, evaluation reports and other regulatory mandates. As we strive for perfection in the implementation of Act 129, we must be careful to preserve the expected savings for Pennsylvania's electric consumers and not evaporate these savings with overly burdensome administrative and regulatory related costs.

DATE	VICE CHAIRMAN TYRONE J. CHRISTY