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Rosemary Chiavetta, Esq., Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor Harrisburg, Pennsylvania 17120

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RE: Comments to the Tentative Order/Phase 2 – Registry of Conservation Service Providers Docket No. M-2008-2074154

Dear Secretary Chiavetta,

On January 10, 2013, the Pennsylvania Public Utility Commission ("PUC" or "Commission") entered a Tentative Order proposing revisions to the registration process and application for conservation service providers ("CSP") under Act 129 of 2008. Act 129 required, *inter alia*, the Commission to establish a registry of approved persons qualified to act as a CSP for all classes of customers, 66 Pa. S.C. §2806.2(a) and to develop an application process and determine a registration fee, 66 Pa. C.S. §2806.2(b). The statute further required electric distribution companies ("EDCs"), subject to the provisions of Act 129, to file an energy efficiency and conservation plan ("EE&C Plan") which included, *inter alia*, at least one contract with a CSP selected by competitive bid to implement either the EE&C Plan or a portion of that plan as approved by the Commission, 66 Pa. C.S. §2806.1(b)(1)(i)(e).

The Commission approved the current CSP requirements for Act 129 Phase 1, ending on May 31, 2013, in a Final Order entered on February 5, 2009¹. The February 2009 Final Order established the CSP registry, a registration process and minimum experience and qualification requirements for CSPs that are contracted by EDCs under Act 129.

¹ Docket No. M-2008-2074514, Implementation of Act 129 of 2008 Phase 2 – Registration of Conservation Service Providers, Final Order (Entered February 5, 2009).

The Tentative Order proposes revisions to the CSP application package and clarifications to the minimum requirements for CSP registration "to address recent internal organizational changes and to improve the CSP registration process". The Commission offers these revisions as necessary to improve the processing and approval of CSPs and to maintain an up-to-date CSP registry. Comments are due by February 25, 2013 and Reply Comments by March 18, 2013.

The Energy Association of Pennsylvania ("EAP" or "Association") welcomes the opportunity to provide the following comments on behalf of its EDC members subject to the provisions of Act 129.²

In the Tentative Order, the Commission adds a requirement that any CSP sub-contractor that is directly performing services under the contractual obligations of an EDC contracted CSP must also register as a CSP. See Tentative Order at p. 9. EAP believes that this particular additional requirement is unnecessary, confusing and does not further the PUC concern that subcontractors of approved CSPs not have any direct or indirect affiliation or interest in an EDC. EAP asserts that the Commission has adequately addressed that issue by requiring the CSP to provide information on sub-contractors' affiliation with the EDC and further requiring that such information be periodically updated.

EAP believes that the additional requirement is an administrative burden and will result in numerous filings for CSP sub-contractors who do not meet the definition of a CSP under Act 129 and may not have a direct contractual relationship with the CSP hired by an EDC. For clarity, EAP recommends that the requirement be revised to read as follows:

"Any CSP sub-contractor with an annual contract cost of \$300,000 or greater that is directly performing services pursuant to a contract with a CSP which has contracted with an EDC after Commission approval should also register as a CSP. This does not include third party contractors which participate in or support an EE&C program but are not directly contracted with a CSP which has a direct contractual relationship with the EDC subject to Act 129."

² EAP members subject to Act 129 include Duquesne Light Company, Metropolitan Edison Company, PECO Energy Company, Pennsylvania Electric Company, Pennsylvania Power Company, PPL Electric Utilities Corporation and West Penn Power Company.

EAP believes that this minor modification will clarify the new requirement, mitigate the administrative burden and avoid sub-contractors from unnecessarily registering with the Commission in the next phase of EE & C Plans under Act 129.

Respectfully submitted,

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Date: February 25, 2013

CC: Annunciata Marino, Bureau of Technical Utility Services (electronic copy) Kriss Brown, Law Bureau (electronic copy)

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