

COMMONWEALTH OF PENNSYLVANIA



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February 28, 2013

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

RE: Metropolitan Edison Company's Request for
Expedited Approval of Proposed Minor
EE&C Plan Changes Pursuant to the June
10, 2011 Final Order in Docket No. M-
2008-2069887
Docket No. M-2009-2092222

Dear Secretary Chiavetta:

Enclosed please find the Office of Consumer Advocate's Comments in the above-referenced matter.

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully Submitted,

Candis A. Tunilo

Candis A. Tunilo
Assistant Consumer Advocate
PA Attorney I.D. # 89891

Enclosure

cc: Certificate of Service
166463

Energy Efficiency & Conservation (EE&C) Plans. Final Order at 18-20. In the Final Order, the Commission provided the following definition of “minor changes:”

1. The elimination of a measure that is underperforming, no longer viable for reasons of cost-effectiveness, savings or market penetration or has met its approved budgeted funding, participation level or amount of savings;
2. The transfer of funds from one measure or program to another measure or program within the same customer class; and
3. Adding a measure or changing the conditions of a measure, such as its eligibility requirements, technical description, rebate structure or amount, projected savings, estimated incremental costs, projected number of participants or other conditions so long as the change does not increase the overall costs to that customer class.

Final Order at 19-20.

The Final Order permits interested parties to file comments to proposed minor EE&C Plan changes within fifteen days and reply comments within ten days after comments are submitted. Final Order at 19. The OCA provides these Comments pursuant to the Final Order. The OCA submits that Met-Ed’s proposed minor EE&C Plan changes are within the definition of “minor changes” and meet the filing requirements in the Final Order. The OCA further submits that Met-Ed’s proposed minor changes appear reasonable and should be approved.

II. COMMENTS

In its Request, Met-Ed seeks approval to increase its budget for the Residential Energy Efficient Products Program by \$966,000. Met-Ed Request at 4. The Company asserts that this program is expected to exhaust its approved budget by March 2013 and that additional funds are needed for the program to continue until May 31, 2013. Id. at 4-5. The Company expects that with the additional funds, this program will exceed its May 31, 2013 energy savings target. Id. Met-Ed proposes that the Residential Behavioral Modification & Education Program’s budget be reduced by \$966,000 in order to provide additional funds to the Residential Energy Efficient

Products Program. Id. at 5. Met-Ed asserts the Residential Behavioral Modification & Education Program is projected to be under budget in excess of \$966,000 on May 31, 2013. Id.

Also in its Request, Met-Ed seeks approval to increase the budget of the Residential Direct Load Control Program by \$700,000. Met-Ed Request at 5. Operations for the Program ceased on September 30, 2012, and the Company is in the process of shutting down the Program because the Commission determined that demand response programs would not be included in the Phase II EE&C Plans. Id. Met-Ed estimates that expenses for operations and contract termination will exceed the Program's current approved budget. Id. Met-Ed proposes that the Home Energy Audits & Outreach Program be likewise reduced by \$700,000 in order to provide additional funds for the shutdown of the Residential Direct Load Control Program. Id. According to the Company, the Home Energy Audits & Outreach Program is projected to be under budget in excess of \$700,000 on May 31, 2013. Id.

As stated in Met-Ed's Request, these budget changes will have no net effect on the Company's approved EE&C Plan or the residential rate in the EEC-C Rider. Id. According to Met-Ed, the proposed budget changes will have a negligible impact on the cost-effectiveness of the Programs. Met-Ed Request at 6; Met-Ed Exh. B.

The OCA submits that Met-Ed's proposed Program changes meet the definition in the Final Order because they seek to transfer funds from one program to another within the same customer class. See Final Order at 20. Transferring funds from under-performing programs to programs with nearly exhausted budgets is a more efficient use of the ratepayer funds that pay for the Act 129 EE&C Plan. It is unfortunate that Met-Ed's Residential Direct Load Control Program is ending after only one summer of use and after several million dollars from Met-Ed's EE&C Plan budget were spent to initiate the Program. The Commission, however, has spoken

on the issue and has not required that the Program be continued as part of the Act 129 EE&C Plans. See Energy Efficiency and Conservation Program, Docket Nos. M-2012-2289411 *et al.*, Implementation Order at 42-43 (Aug. 3, 2012). It is, consequently, least intrusive on ratepayers for the Company to utilize funds from an under-performing EE&C Plan program to pay the costs of shutting down the Residential Direct Load Program.

III. CONCLUSION

For the foregoing reasons, the OCA submits that Met-Ed's Request for Expedited Approval of Minor Act 129 EE&C Plan Changes should be approved.

Respectfully Submitted,



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DATE: February 28, 2013
166417

CERTIFICATE OF SERVICE

Metropolitan Edison Company's Request : Docket No. M-2009-2092222
For Expedited Approval of Proposed Minor :
EE&C Plan Changes Pursuant to the June :
10, 2011 Final Order in Docket No. :
M-2008-2069887 :

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate's Comments, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 28th day of February 2012.

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