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January 4, 2016

VIA E-FILE

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor (filing room)
PO Box 3265
Harrisburg, PA 17105-3265

RE: Petition of PPL Electric Utilities Corporation for Approval of Its Phase III Energy Efficiency and Conservation Plan; Docket No. M-2015-2515642; **COMMENTS OF THE SUSTAINABLE ENERGY FUND OF CENTRAL EASTERN PENNSYLVANIA**

Dear Secretary Chiavetta:

Enclosed for filing with the Commission are the Comments of the Sustainable Energy Fund of Central Eastern Pennsylvania. This filing has been served in accordance with the attached Certificate of Service.

If you have any questions concerning this filing, please do not hesitate to contact my office.

Very truly yours,

Judith D. Cassel

*Counsel for The Sustainable Energy Fund of
Central Eastern Pennsylvania*

Enclosures

cc: Administrative Law Judge Susan Colwell (via email and via first class mail)
Per Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PPL Electric Utilities :
Corporation for Approval of its Act 129 : Docket No. M-2015-2515642
Phase III Energy Efficiency and :
Conservation Plan :

**COMMENTS OF THE
SUSTAINABLE ENERGY FUND OF
CENTRAL EASTERN PENNSYLVANIA**

The Sustainable Energy Fund of Central Eastern Pennsylvania (“SEF”), by and through its attorneys in this matter, Hawke McKeon & Sniscak LLP, files the following Comments in the above-captioned proceeding.

I. INTRODUCTION

On November 30, 2015, PPL Electric Utilities Corporation (“PPL Electric”) filed its Phase III EE&C Plan (“PPL’s Plan”) with the Pennsylvania Public Utility Commission (“Commission”) pursuant to Act 129 of 2008¹ (“Act 129”) and various related Commission orders. SEF’s Comments are in response to PPL’s Plan. SEF files these Comments in accordance with The Honorable Judge Colwell’s December 18, 2015 Prehearing Conference Order and the Notice in the *Pennsylvania Bulletin* published December 12, 2015. (45 Pa.B. 7078.)

¹ Act 129 of 2008, P.L. 1592, 66 Pa.C.S. §§ 2806.1 and 2806.2.

II. BACKGROUND

The Act 129 of 2008 (Act 129) became effective November 14, 2008. Act 129 requires Electric Distribution Companies (EDCs) with 100,000 customers or more to develop and implement an Energy Efficiency and Conservation Program. (66 Pa.C.S. §2806.1, *et seq.*) On January 15, 2009, the Commission issued the standards for EDC to incorporate in their Act 129 Phase I plans. Docket No. M-2008-2069887 (Jan. 16, 2009 Order). The Commission adopted Phase II of the EDC's Act 129 plans on August 2, 2012. Docket No. M-2012-2289411. On June 19, 2015, the Commission issued its Order adopting specific targets for the EDC's Phase III plans. Docket No. M-2014-2424864.

PPL's Phase III target for overall consumption reduction is 3.8% of sales from June 1, 2009 through May 31, 2010. The Commission directed PPL's overall reduction in consumption as follows: (1) 3.5% Government/ Non-Profit/ Educational (GNE) sector; (2) 5.5% low-income residential; and (3) 92 MW in gross demand.

III. COMMENTS

The SEF supports or does not oppose the majority of PPL's Plan. However, SEF opposes and does not support the overly broad and reduced range in which PPL has the discretion to incentivize program participants since it believes that these broad reduced ranges are counter-productive to the goals of Act 129 and PPL's Plan. Additionally, SEF submits Comments to address the lack of substance and specificity in educational activities as described in PPL's Plan. SEF urges the Commission to approve those measures that SEF does not oppose and conduct an investigation and hearing to approve SEF's recommendations as advanced herein.

A. PPL's Range of Rebates for Small and Large Commercial and Industrial Customers of \$0.02 to \$0.14 per KWH Is Too Low and Broad.

SEF supports PPL's Plan to incentivize Small and Large Commercial and Industrial Customers (Small and Large C&I Customers) for energy initiatives under the Custom Program. However, SEF believes the decrease in the overall opportunity for Small and Large C&I Customers to earn rebates coupled with the broad range of potential rebates, actually disincentives Small and Large C&I Customers from participating in the PPL Plan. The broad discretion in determining the rebate amount for customers participating in PPL's Custom Program injects unnecessary ambiguity into the program. (PPL Plan at p. 85.) The PPL Plan provides Small and Large C&I Customers with rebates from \$0.02 to \$0.14. In PPL's prior Phase I and Phase II Plans, the incentive range was from \$0.05 to \$0.17. The substantially lower and equally broad range for rebates disincentives Small and Large C&I Customers from participating in the PPL Plan. SEF recommends a continuation of the PPL Custom Program with a rebate range for Small and Large C&I customers of \$0.07 to \$0.17. This more narrowly defined range, with higher upside rebate availability, will help incentivize Small and Large C&I Customers to participate in the programs offered under PPL's Plan and minimize uncertainty surrounding program participation.

B. PPL's Plan Lacks Substantive and Specific Details on Education for Small and Large Commercial and Industrial Customers.

The PPL Plan is replete with references to education for customers but lacks substantive and specific details on the actual venue, materials, personnel, solicitations, timing, and other meaningful and necessary specifics of the PPL's Plan educational initiatives. SEF recommends a proactive educational program devoid of conflicts in interest. SEF recommends there be an independent educational service group tasked with setting up seminars to educate Small and

Large Commercial Customers on all possible initiatives to achieve energy efficiency and reductions in consumption as well as all rebates available to assist these Large and Small C&I Customers with the same.

IV. CONCLUSION

The Sustainable Energy Fund respectfully requests that the Commission consider and adopt the foregoing Comments and take any other actions that are deemed appropriate.

Respectfully submitted,



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*Counsel for The Sustainable Energy Fund
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Dated: January 4, 2016

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document(s) via First-Class Mail (unless noted otherwise) upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

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