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January 4, 2016

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

VIA ELECTRONIC FILING

RE: Petition of Duquesne Light Company for Approval of its Act 129 Phase III Energy Efficiency and Conservation Plan; Docket No. M-2015-2515375

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission the Petition to Intervene and Answer of the Duquesne Industrial Intervenors in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to the proceeding are being duly served with a copy of this document. Thank you.

Very truly yours,

By

Pamela C. Polacek Counsel to the Duquesne Industrial Intervenors

MCNEES WALLACE & NURICK LLC

/bgr

Enclosures

c: Administrative Law Judge Katrina L. Dunderdale (via E-mail and First Class Mail) Certificate of Service

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed

below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST-CLASS MAIL

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Pamela C. Polacek

Counsel to the Duquesne Industrial Intervenor

Dated this 4th day of January, 2016, at Harrisburg, Pennsylvania

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

:

Petition of Duquesne Light Company For Approval of its Act 129 Phase III Energy Efficiency and Conservation Plan

Docket No. M-2015-2515375

PETITION TO INTERVENE AND ANSWER OF THE DUQUESNE INDUSTRIAL INTERVENORS

TO THE HONORABLE, THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to Sections 5.71 through 5.74 and Section 5.61(a) of the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Regulations, 52 Pa. Code §§ 5.71-5.74 and 52 Pa. Code § 5.61(a), the Duquesne Industrial Intervenors ("DII") hereby files this Petition to Intervene and Answer in response to the above-captioned filing of Duquesne Light Company ("DLC" or "Company").

On November 25, 2015, DLC petitioned the Commission for approval of the Company's Phase III Energy Efficiency & Conservation ("EE&C") Plan ("Phase III Plan"). DLC's Petition for Approval of its Phase III Plan ("Petition") outlines DII's proposal to address the requirements of Act 129, the PUC's Phase III Implementation Order entered on June 19, 2015, at Docket No. M-2014-2424864 ("Implementation Order") and the PUC's Clarification Order entered on August 20, 2015, at Docket No. M-2014-2424864 ("Clarification Order").

DLC's Phase III Plan costs and program measures may impact the rates and services of DLC's largest customers. It is therefore imperative that DLC implement its Phase III EE&C Plan in a just and reasonable manner, consistent with Act 129, the Implementation Order, the Clarification Order, and all applicable statutes and regulations.

In support of its Petition to Intervene and Answer, DII asserts the following:

I. <u>PETITION TO INTERVENE</u>

1. DII is an *ad hoc* association of energy-intensive commercial and industrial customers receiving electric service in DLC's service territory, primarily under Rate Schedule L. Any modification to DII's electric rates may impact DII members' cost of operations.

2. The names and address of DII 's attorneys are:

Pamela C. Polacek (I.D. No. 78276) Alessandra Hylander (I.D. No. 320967) McNEES WALLACE & NURICK LLC 100 Pine Street P.O. Box 1166 Harrisburg, PA 17108-1166 Phone: (717) 232-8000 Fax: (717) 237-5300 ppolacek@mwn.com

3. For purposes of this proceeding, DII includes the member listed in Appendix A hereto. Several additional DLC Large C&I customers are still evaluating whether to participate in DII for this proceeding. As necessary, DII will update Appendix A during the course of this proceeding to reflect any changes in its membership.

4. DII members are concerned with issues regarding the terms and conditions of their electricity service, and, as a result, have been involved in numerous DLC proceedings, including the adjudication of DII's Phase I and Phase II EE&C Plans. The Commission's final disposition of DLC's Phase III Plan may also directly affect the rates that the Company imposes on DII members for service.

5. DII members thus have an interest in this proceeding that is not represented by any other party of record; consequently, DII satisfies the standards for intervention under Section 5.72 of the Commission's Regulations, 52 Pa. Code § 5.72.

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II. ANSWER

6. Certain aspects of DLC's Phase III Plan require monitoring and further investigation. The cost of DLC's Phase III Plan and potential rate impact upon DLC's Large C&I customers concerns DII members. Additionally, the Large C&I program measures, may substantially affect DII members. Finally, various structural matters, including uncertainty regarding PJM Interconnection, L.L.C. ("PJM") DR programs and implementation of potential legislative changes to Act 129, concern DII members.

7. Key aspects of DLC's Phase III Plan warrant further investigation. First, DII stresses that if the U.S. Supreme Court issues a decision that results in the elimination of the PJM DR Programs, then the Commission must hold an expeditious and comprehensive stakeholder process to ensure that the Commonwealth can effectively and efficiently replace PJM's programs. In addition, if Senate Bill 805 ("S.B. 805") passes in the Pennsylvania General Assembly, then DLC must be able to adjust its Phase III Plan to permit Large C&I customers to opt-out of the Company's Plan. Furthermore, the Company must structure its Phase III Plan to recognize and comply with PJM market rules. Specifically, as Phase III of Act 129 now requires all Electric Distribution Companies ("EDCs") to rebid all Conservation Service Provider ("CSP") contracts, the Company must comply with the PJM Tariff's requirement that EDCs have only one PJM Curtailment Services Provider to manage economic load response events.¹ Finally, the Company must ensure that its ratemaking process is transparent, prompt and uniform in order to guarantee that costs are allocated fairly among customers with little uncertainty as to what the customer charges will be.

¹ The PJM Curtailment Service Provider designation is distinct from the Act 129 "CSP" designation. Many PJM Curtailment Service Providers are not Act 129 CSPs.

8. In addition to the issues identified above, DII reserves the right to raise and address additional issues of concern during the course of this proceeding based on further review of the Petition, issues identified via discovery, and issues raised by other parties.

III. <u>CONCLUSION</u>

WHEREFORE, the Duquesne Industrial Intervenors respectfully requests that the Pennsylvania Public Utility Commission grant this Petition to Intervene and Answer, provide DII with full-party status in this proceeding, and grant such other relief as it deems necessary.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By

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Counsel to the Duquesne Industrial Intervenors

Dated: January 4, 2016

APPENDIX A

DUQUESNE INDUSTRIAL INTERVENORS

WHEMCO Steel Castings, Inc.

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA))ss:COUNTY OF DAUPHIN)

PAMELA C. POLACEK, being duly sworn according to law, deposes and says that she is Counsel to the Duquesne Industrial Intervenors, and that in this capacity she is authorized to and does make this affidavit for them, and that the facts set forth in the foregoing Petition to Intervene and Answer are true and correct to the best of her knowledge, information, and belief.

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Pamela C. Polacek

SWORN TO and subscribed before me this 4th day

of January, 2016.

- a sipe Notar∳Public

(SEAL)

COMMONWEALTH OF PENNSYLVANIA Notarial Seal Mary A. Sipe, Notary Public City of Harrisburg, Dauphin County My Commission Expires March 19, 2017