

Tishekia E. Williams Managing Counsel, Regulatory 411 Seventh Avenue Mail drop 15-7 Pittsburgh, PA 15219

May 1, 2017

Via Overnight Delivery

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

Tel: 412-393-1541

Fax: 412-393-5757

twilliams@duglight.com



MAY 0 1 2017

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Re: Duquesne Light Company Petition for Reconsideration Nunc Pro Tunc of Energy Efficiency and Conservation Program Compliance Order Docket Nos. M-2012-2289411, M-2012-2334399

Dear Secretary Chiavetta:

Enclosed please find an original plus three copies of the amended Petition for Reconsideration *Nunc Pro Tunc*, or in the alternative, Petition Regarding Initial Determination, on behalf of Duquesne Light Company, in the above-captioned proceeding. Copies have also been served on all parties to the proceeding.

This amended Petition is substantively identical to Petition filed on April 28, 2017, which was also served on all parties, except that the version filed on April 28 inadvertently omitted an executed verification. This amended Petition includes the executed verification. Duquesne Light Company apologizes for any inconvenience, and respectfully requests that the Commission accept this amended Petition for filing.

Should you have any questions, please do not hesitate to contact me at (412) 393-1541 or twilliams@duqlight.com.

Sincerely,

Tishekia Williams Managing Counsel, Regulatory

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

.

Act 129 Energy Efficiency Program – Phase II	:	Docket No. M-2012-2289411
Petition of Duquesne Light Company For Approval of its Act 129 Phase II Energy Efficiency and	: : :	Docket No. M-2012-2 334399
Conservation Plan	:	RECEIVED

MAY 01 2017

PETITION OF DUQUESNE LIGHT COMPANY

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Pursuant to 66 Pa. C.S. § 703 and 52 Pa. Code § 5.572, Duquesne Light Company ("Duquesne Light" or the "Company") files this petition requesting reconsideration *nunc pro tunc*, or in the alternative, to contest initial determinations, of a portion of the Order that the Pennsylvania Public Utility Commission ("Commission") entered in Docket No. M-2012-2289411 on April 6, 2017 ("Phase II Compliance Order"). In the Phase II Compliance Order, the Commission, *inter alia*, adopted the Statewide Evaluator ("SWE") Phase II Final Report's finding that Duquesne Light exceeded its Phase II required electric consumption reductions from low-income customers ("low-income savings") by 2,542 MWh. As discussed *infra*, Duquesne Light submits that the correct measurement of its Phase II low-income excess savings is 3,266 MWh, and respectfully requests that the Commission reconsider the corresponding portion of the Phase II Compliance Order.¹ In the alternative, Duquesne Light submits this Petition to contest

¹ Pursuant to 52 Pa. Code § 5.572(c), petitions for reconsideration are due "within 15 days after the Commission order is entered or otherwise becomes final," or in the case of the instant Petition, April 21, 2017. Duquesne Light respectfully requests that the Commission exercise its discretion to consider this Petition for Reconsideration *nunc*

the facts upon which the Commission rendered its initial determination of Duquesne Light's lowincome savings.²

I. INTRODUCTION

1. Duquesne Light is a public utility and an electric distribution company ("EDC") as defined in Sections 102 and 2803 of the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 102, 2803. Duquesne Light furnishes electric distribution services to approximately 579,000 customers throughout its certificated service territory, which includes the City of Pittsburgh and portions of Allegheny and Beaver Counties, Pennsylvania.

2. Act 129 of 2008 became effective on November 14, 2008. Among other things, Act 129 requires EDCs with at least 100,000 customers to develop and adopt an energy efficiency and conservation plan ("EE&C Plan") for Commission review and approval. *See* 66 Pa. C.S. § 2806.1(b), (l). EE&C Plans describe EDCs' programs designed to achieve energy conservation and peak load reduction requirements set forth in Act 129.

3. On August 2, 2012, the Commission issued its Energy Efficiency and

Conservation Phase II Implementation Order ("Phase II Implementation Order") that, *inter alia*, set forth requirements of EDCs' EE&C Plans for the period June 1, 2013, through May 31, 2016

pro tunc for four reasons. First, because the subject of this Petition does not involve any material dispute as discussed *infra*. Duquesne Light believes that reconsideration is the appropriate recourse. Second, Duquesne Light began investigating this matter promptly upon the issuance of the SWE's Phase II Final Report on April 6, 2017, but was not able to confirm the root cause of the issue with the SWE until April 21, 2017. Third, Duquesne Light files this Petition within the 20-day time period in which the Phase II Compliance Order allows parties to contest its initial determinations (though Duquesne Light does so only in the alternative). See Phase II Compliance Order p.22. Fourth, the Commission's consideration of Duquesne Light's request for reconsideration will not prejudice any party or unduly delay this proceeding.

² Ordering Clause 6 and p.22 of the Phase II Compliance Order permit any party "to contest the facts the Commission relied upon in making its determinations of compliance"; however, this Petition makes such a pleading only in the alternative, in the event that the Commission declines Duquesne Light's request for reconsideration *nunc* pro tunc.

("Phase II"). Duquesne Light submitted a Phase II EE&C Plan on November 15, 2012, and submitted a Revised Phase II EE&C Plan on February 7, 2013, in Docket No. M-2012-22334399. On March 13, 2013, the Commission approved Duquesne Light's Revised Phase II EE&C Plan.

4. In accordance with Act 129 and the Phase II Implementation Order, Duquesne Light regularly submitted quarterly and annual reports detailing its performance under its Phase II EE&C Plan. On November 11, 2016, Duquesne Light submitted its annual report for Plan Year 7 ("PY7 Annual Report") at Docket No. M-2012-22334399. Duquesne Light's PY7 Annual Report demonstrates that Duquesne Light met all Phase II electricity consumption reduction requirements, including savings carve-outs for low-income customers. The PY7 Annual Report further indicates that Duquesne Light achieved 3,431 MWh of low-income excess savings eligible for carryover to Phase III. PY7 Annual Report p. 29.

5. On April 6, 2017, the Statewide Evaluator issued its "Phase II Final Report." The Phase II Final Report agreed with the bulk of Duquesne Light's findings in its PY7 Annual Report, except that the Phase II Final Report indicates excess low-income savings of 2,542 MWh eligible for carryover to Phase III. Phase II Final Report p. 14. The SWE explains, "For [Duquesne Light] and PPL [Electric Utilities Corporation], the EDC's used the prescribed calculation methodology, but relied on a slightly different value for the verified gross lowincome savings, resulting in minor differences between the EDC-reported values and those calculated by the SWE." *Id.* p. 13.

6. On April 6, 2017, the Commission issued its Phase II Compliance Order, which in relevant part initially agreed with and adopted the Phase II Final Report's findings concerning Duquesne Light's low-income savings. The Phase II Compliance Order provides in part at p. 23:

The SWE was not able to verify [Duquesne Light's reported] low-income reduction requirement excess savings of 3,431 MWh. The SWE notes, low-income excess savings for Phase III are based on an allocation factor determined by the ratio of savings from low-income specific programs to non-low-income specific programs; therefore, Duquesne's verified low-income reduction requirement excess savings total decreased from 3,431 MWh to 2,542 MWh. The Commission agrees with the SWE verified and adjusted low-income reduction requirement excess savings total of 2,542 MWh to be credited against Duquesne's Phase III low-income reduction requirements.

II. THIS PETITION MEETS THE STANDARD FOR RECONSIDERATION

7. The Commission may grant reconsideration of an order where the petition "raise[s] any matters designed to convince the Commission that it should exercise its discretion under this code to rescind or amend a prior order in whole or in part. . . . What we expect to see raised in such petitions are new and novel arguments, no previously heard, or considerations which appear to have been overlooked or not addressed by the Commission." *Duick v. Pennsylvania Gas and Water Co.*, 56 Pa. P.U.C. 553, 559 (1982).

8. As explained *infra*, the Phase II Compliance Order's initial determination of Duquesne Light's low-income excess savings relies on a value in the SWE's Phase II Final Report that omits certain applicable savings. The SWE's measurement of Duquesne Light's lowincome excess savings, with applicable savings omitted, first appeared in the SWE's Phase II Final Report, which was issued concurrent with the Phase II Compliance Order. Duquesne Light could not have previously raised this omission before the Commission. This omission, and corrections thereto, therefore represent both a "new and novel arguments not previously heard" and "considerations which appear to have been overlooked or not addressed by the Commission," and accordingly warrant reconsideration.

III. THE STATEWIDE EVALUATOR'S MEASUREMENT OF DUQUESNE LIGHT'S LOW-INCOME SAVINGS OMITS SOME APPLICABLE SAVINGS

9. Following discussions with the SWE, Duquesne Light avers that the SWE's calculation of low-income excess savings stems from a minor difference in construction of one value in Duquesne Light's PY7 Compliance Report. Table 1-6 of the Report lists a value of 5,495 MWh for "Low Income Verified Gross Savings from Low Income Programs." The SWE has expressed to Duquesne Light that when the SWE verified Duquesne Light's low-income savings, the SWE believed this value to comprise *all* savings from program activities targeted specifically to low-income customers. In actuality, this value includes 2,461 MWh in savings from Duquesne Light's multifamily retro-fit program, of which 96%, or 4,105 MWh, represent low-income savings. Re-including these adjustments accounts for the difference between Duquesne Light's and the SWE's results. Duquesne Light recognizes that the "Low Income Verified Gross Savings from Low Income Programs" value is ambiguously named, and appreciates this opportunity to clarify its application of that value in its PY7 Compliance Report.

10. Duquesne Light also identified a small error in its calculation of one of its lowincome program realization rates. Correcting this error decreases the "Low Income Verified Gross Savings from Low Income Programs" by 59 MWh, from 5,495 to 5,436 MWh.

11. The Commission's prescribed calculation methodology, with this corrected value of "Low Income Verified Gross Savings from Low Income Programs," indicates that Duquesne Light's EE&C programs yielded 3,266 MWh in low-income excess savings eligible for carryover into Phase III.

12. To the best of Duquesne Light's knowledge and belief, the difference between the SWE's and PY7 Compliance Report's low-income excess savings measurements was primarily

due to an ambiguity in the term "Low Income Verified Gross Savings from Low Income Programs," and does not reflect any substantive disagreement. Therefore, Duquesne Light believes that reconsideration of the corresponding portion of the Phase II Compliance Order is the appropriate recourse. In the alternative, Duquesne Light submits this Petition under Ordering Clause 6 of the Phase II Compliance Order, contesting the Commission's initial determination of Duquesne Light's Phase II low-income excess savings.

IV. CONCLUSION

Based on the foregoing, Duquesne Light respectfully asks the Commission to reconsider the Phase II Compliance Order to allow Duquesne Light to carry over 3,266 MWh of lowincome excess savings into Phase III. In the alternative, Duquesne Light submits this Petition under Ordering Clause 6 of the Phase II Compliance Order, and contests the facts upon which the Commission rendered its initial determination of Duquesne Light's low-income savings.

Respectfully Submitted,

Tishekia Williams

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Act 129 Energy Efficiency Program – Phase II	•	Docket No. M-2012-2289411
Petition of Duquesne Light Company For Approval of its Act 129 Phase II Energy Efficiency and Conservation Plan	; : :	Docket No. M-2012-2 35 4 3 9 9

VERIFICATION

I, <u>David Defide</u>, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



MAY 01 2017

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

David Defide

05/01/2017

Date

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. § 1.54 (relating to service by a participant).

VIA U.S. MAIL

Bureau of Investigation and Enforcement Pennsylvania Public Utility Commission 400 North Street, 2nd Floor West P.O. Box 3265 Harrisburg, PA 17105-3265 Office of Small Business Advocate Commerce Tower, Suite 202 300 North Second Street Harrisburg, PA 17101-1923

Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101-1923

RECEIVED

MAY 01 2017

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU Bureau of Audits Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 3rd Floor East Harrisburg, PA 17120

Tishekia Williams Duquesne Light Company 411 Seventh Avenue, 15-7 Pittsburgh, PA 15219 Phone: 412-393-1541 twilliams@duqlight.com

Dated: May 1, 2017

UPS CampusShip: View/Print Labe

- <u>-</u> Print button on the print dialog box that appears. Ensure there are no other shipping or tracking labels attached to your package. select Print from the File menu to print the label Note: If your browser does not support this function Select the
- N Fold the printed label at the solid line below. not have a pouch, affix the folded label using clear plastic shipping tape over the entire label. Place the label in a UPS Shipping Pouch. If you do

ω **GETTING YOUR SHIPMENT TO UPS**

Customers with a Daily Pickup Your driver will pickup your shipment(s) as usual

Box, UPS Customer Center, UPS Alliances (Office Depot® or Staples®) or Authorized Shipping Outlet near you. Items sent via UPS Return Services(SM) (including via Ground) are also accepted at Drop Boxes. To find the location nearest you, please visit the Resources area of CampusShip and select Customers without a Daily Pickup Take your package to any location of The UPS Store®, UPS Access Point(TM) location, UPS Drop UPS Locations

packages Schedule a same day or future day Pickup to have a UPS driver pickup all your CampusShip

Hand the package to any UPS driver in your area S Access PointTM UPS Access PointTM

UPS MICRO DINER 221 SHILOH ST **845 RIDGE AVE** CCALLEGHENYCOUNTYMAINBOOKSTORETHE UPS STORE UPS 1735 E CARSON ST Access PointTM

PITTSBURGH, PA 15211 PITTSBURGH PA 15212

PITTSBURGH PA 15203

FOLD HERE

