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CONFIDENTIAL

January 23, 2018

FEDERAL EXPRESS

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

RECEIVED

JAN 23 2018

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: PPL Electric Utilities Corporation Amendment to the Conservation Service
Provider Contract with ECOVA, Inc.
Docket No. M-2015-2515642**

Dear Secretary Chiavetta:

Enclosed is a redacted copy of the executed **CONFIDENTIAL** Amendment Number Two (2) ("Amendment 2") to the Conservation Service Provider ("CSP") contract between PPL Electric Utilities Corporation ("PPL Electric") and ECOVA, Inc. ("ECOVA").

ECOVA became a Pennsylvania Public Utility Commission ("Commission") registered CSP on January 19, 2012. ECOVA became a re-registered CSP on January 19, 2016, and recently filed for renewal of its registration on January 16, 2018. (Docket No. A-2011-2275928).

PPL Electric and ECOVA entered into a CSP contract effective January 11, 2016, for ECOVA to develop and manage the Residential Portfolio of Programs as part of PPL Electric's Energy Efficiency and Conservation Plan ("Residential Portfolio Contract"). On January 14, 2016, PPL Electric filed the Residential Portfolio Contract with the Commission, together with the Scope of Work, a letter of intent, a summary of Request for Proposal procedures followed in the CSP selection process, and a certificate of insurance. By Secretarial Letter dated February 18, 2016, the Commission approved PPL Electric's CSP contract with ECOVA.

On January 10, 2017, PPL Electric filed Amendment Number 1 to the Residential Portfolio Contract.

The purpose of the enclosed **CONFIDENTIAL** Amendment 2 is to, update the "not to exceed" value on page 23 of Exhibit A; to update the contact information of PPL Electric's Residential Energy Efficiency Program Manager; and to replace Table 2-1 in Exhibit B with Revised Table 2-1.

This **CONFIDENTIAL** Amendment 2 shall be effective as of September 1, 2017, and will continue until December 31, 2021, as set forth in Section 9.1 of the Residential Portfolio Contract.

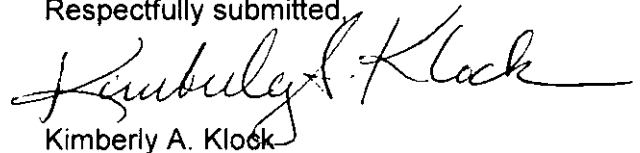
Other than the terms and conditions set forth in the enclosed **CONFIDENTIAL** Amendment 2, all other terms and conditions of the Residential Portfolio Contract, as previously amended, will remain in full force and effect.

Pursuant to 52 Pa Code §1.11 the enclosed document is to be deemed filed on January 23, 2018, which is the date it was deposited with an overnight express delivery service as shown on the delivery receipt attached to the mailing envelope.

In addition, please date and time stamp the enclosed extra copy of this letter and return it to me in the envelope provided.

Should you have any questions regarding this matter, do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kimberly A. Klook". The signature is written in black ink and is positioned above the printed name.

Kimberly A. Klook

Enclosure

cc via email: Anthony J. Rametta
Patricia Wiedt
Richard A. Kanaskie, Bureau of Investigation & Enforcement (*letter only*)
Tanya J. McCloskey, Office of Consumer Advocate (*letter only*)
John R. Evans, Office of Small Business Advocate (*letter only*)

Amendment Number Two [2]

to the Pennsylvania Act 129 Services Agreement Number 9004905

This Amendment Number Two ("Amendment #2") to the Pennsylvania Act 129 Services Agreement Number 9004905 (the "Agreement") dated January 11, 2016 made by and between Ecova, Inc. ("Contractor") and PPL Electric Utilities Corporation ("Company"). This Amendment #2 shall be effective as of September 1, 2017. Contractor and Company may be referred to in this Amendment #2 individually as a "Party" and collectively as the "Parties."

WHEREAS, Contractor and Company are Parties to the Agreement; and agree as follows:

The Parties agree to

1. Update the "not to exceed" value in Exhibit A – Scope of Work on page 23 to \$92,221,000.
2. Delete Maureen Fenerty's name and telephone contact information in Article 13.1 Notices on page 20 and insert "Company's Residential Energy Efficiency Program Manager" in place of the deleted information. The parties agree that this contact name may be changed without amending the Agreement. The Company will notify the Contractor of this change in writing or e-mail and provide the name and phone number for the Company's Residential Energy Efficiency Program Manager.
3. Amend Exhibit B by deleting Table 2-1: Revised Compensation Schedule for Residential Programs in its entirety and in the place thereof inserting revised Table 2-1: Revised Compensation Schedule for Residential Programs attached below.

Any capitalized terms that are used but not defined in this Amendment #2 shall have the meanings ascribed to them in the Agreement. Except as otherwise provided in this Amendment #2, all other provisions of the Agreement, as previously amended, shall remain in full force and effect. The Agreement, as previously amended and further amended herein, constitutes the entire agreement and understanding of the parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.

All other terms and conditions of the Agreement continue in full force and effect.

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

IN WITNESS WHEREOF, the Parties, intending to be legally bound, have caused this Amendment #2 to be executed by their respective duly authorized representatives as of the Amendment #2 Effective Date.

Ecova, Inc.

By: [Signature]
Name: MACHENDERSON
Title: Chief Utility Solutions Officer
Date: 11/30/17

PPL Electric Utilities Corporation

By: [Signature]
Name: Gregory N. Duden
Title: President PPL EU
Date: 12/7/17

^{DS}
CW

Table 2-1: Revised Compensation Schedule for Residential Programs

Total Residential Portfolio	Program Year 8	Program Year 9	Program Year 10	Program Year 11	Program Year 12	TOTAL
Customer/Trade Ally Incentives (\$1000)	\$	\$	\$	\$	\$	\$
Fixed Launch Fee	\$	-	-	-	-	\$
Fixed Admin Fee	\$	\$	\$	\$	\$	\$
Fixed Marketing Fee	\$	\$	\$	\$	\$	\$
Performance Admin Fee	\$	\$	\$	\$	\$	\$
TOTAL (\$1000)	\$	\$	\$	\$	\$	\$
TOTAL Reported Energy Savings (MWh/yr)	165,240	164,170	141,343	128,651	101,846	701,251
TOTAL Verified Energy Savings (MWh/yr)	161,553	160,388	137,792	125,198	99,097	684,027
Portfolio Performance Admin Rate (\$/Reported kWh)	\$	\$	\$	\$	\$	\$

Appliance Recycling

	Program Year 8	Program Year 9	Program Year 10	Program Year 11	Program Year 12	TOTAL
Customer/Trade Ally Incentives (\$1000)	\$	\$	\$	\$	\$	\$
Fixed Launch Fee	\$	-	-	-	-	\$
Fixed Admin Fee	\$	\$	\$	\$	\$	\$
Fixed Marketing Fee	\$	\$	\$	\$	\$	\$
Performance Admin Fee	\$	\$	\$	\$	\$	\$
TOTAL (\$1000)	\$	\$	\$	\$	\$	\$
TOTAL Reported Energy Savings (MWh/yr)	13,526	13,128	12,741	12,365	15,789	67,548
TOTAL Verified Energy Savings (MWh/yr)	13,120	12,734	12,358	11,994	15,316	65,522
Performance Admin Rate (\$/Reported kWh)	\$	\$	\$	\$	\$	\$

Efficient Lighting

	Program Year 8	Program Year 9	Program Year 10	Program Year 11	Program Year 12	TOTAL
Customer/Trade Ally Incentives (\$1000)	\$	\$	\$	\$	-	\$
Fixed Launch Fee	\$	-	-	-	-	\$
Fixed Admin Fee	\$	\$	\$	\$	-	\$
Fixed Marketing Fee	\$	\$	\$	\$	-	\$
Performance Admin Fee	\$	\$	\$	\$	-	\$
TOTAL (\$1000)	\$	\$	\$	\$	-	\$
<i>TOTAL Reported Energy Savings (MWh/yr)</i>	97,566	93,180	65,416	42,107	-	298,268
<i>TOTAL Verified Energy Savings (MWh/yr)</i>	95,752	91,454	64,245	41,402	-	292,853
<i>Performance Admin Rate (\$/Reported kWh)</i>	\$	\$	\$	\$	-	\$

Energy Efficient Homes

	Program Year 8	Program Year 9	Program Year 10	Program Year 11	Program Year 12	TOTAL
Customer/Trade Ally Incentives (\$1000)	\$	\$	\$	\$	\$	\$
Fixed Launch Fee	\$	-	-	-	-	\$
Fixed Admin Fee	\$	\$	\$	\$	\$	\$
Fixed Marketing Fee	\$	\$	\$	\$	\$	\$
Performance Admin Fee	\$	\$	\$	\$	\$	\$
TOTAL (\$1000)	\$	\$	\$	\$	\$	\$
<i>TOTAL Reported Energy Savings (MWh/yr)</i>	7,911	10,689	15,493	20,918	24,259	79,270
<i>TOTAL Verified Energy Savings (MWh/yr)</i>	7,357	9,941	14,408	19,454	22,561	73,721
<i>Performance Admin Rate (\$/Reported kWh)</i>	\$	\$	\$	\$	\$	\$

Student Education

	Program Year 8	Program Year 9	Program Year 10	Program Year 11	Program Year 12	TOTAL
Customer/Trade Ally Incentives (\$1000)	-	-	-	-	-	-
Fixed Launch Fee	\$	-	-	-	-	\$
Fixed Admin Fee	\$	\$	\$	\$	\$	\$
Fixed Marketing Fee	\$	\$	\$	\$	\$	\$
Performance Admin Fee	\$	\$	\$	\$	\$	\$
TOTAL (\$1000)	\$	\$	\$	\$	\$	\$
<i>TOTAL Reported Energy Savings (MWh/yr)</i>	6,094	6,094	6,094	6,094	3,852	28,227
<i>TOTAL Verified Energy Savings (MWh/yr)</i>	5,180	5,180	5,180	5,180	3,274	23,993
<i>Performance Admin Rate (\$/Reported kWh)</i>	\$	\$	\$	\$	\$	\$

Home Energy Education

	Program Year 8	Program Year 9	Program Year 10	Program Year 11	Program Year 12	TOTAL
Customer/Trade Ally Incentives (\$1000)	-	-	-	-	-	-
Fixed Launch Fee	\$	-	-	-	-	\$
Fixed Admin Fee	\$	\$	\$	\$	\$	\$
Fixed Marketing Fee	\$	\$	\$	\$	\$	\$
Performance Admin Fee	\$	\$	\$	\$	\$	\$
TOTAL (\$1000)	\$	\$	\$	\$	\$	\$
<i>TOTAL Reported Energy Savings (MWh/yr)</i>	40,144	41,080	41,600	47,168	57,946	227,938
<i>TOTAL Verified Energy Savings (MWh/yr)</i>	40,144	41,080	41,600	47,168	57,946	227,938
<i>Performance Admin Rate (\$/Reported kWh)</i>	\$	\$	\$	\$	\$	\$

ORIGIN ID: ABEA (610) 774-5220
JACKIE JACOB
PPL CORPORATION
2 N 9TH STREET

ALLENTOWN, PA 18101
UNITED STATES US

SHIP DATE: 23 JAN 18
ACTWGT: 1.00 LB
CAD: 1089095637/NET3980

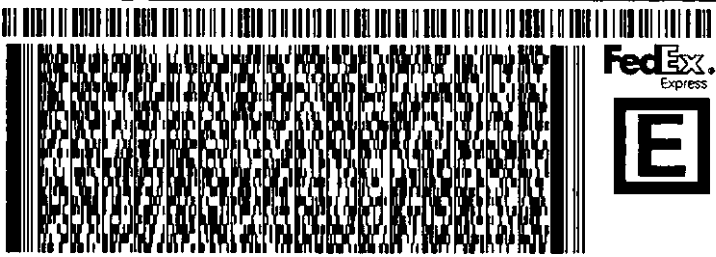
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PENNSYLVANIA PUBLIC UTILITY COM.
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET
HARRISBURG PA 17120

(717) 772-7777
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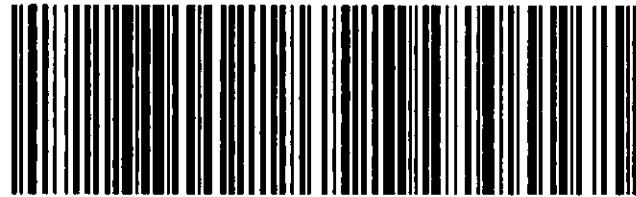


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