

Sarah C. Stoner
717.237-6026
sstoner@eckertseamans.com

May 31, 2018

Via Electronic Filing

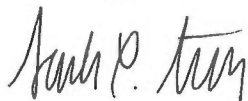
Rosemary Chiavetta, Secretary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Pa. PUC v Duquesne Light Company – Base Rate, Docket No. R-2018-3000124

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the Keystone Energy Efficiency Alliance's ("KEEA") Petition to Intervene in the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,



Sarah C. Stoner

Enclosure

cc: Hon. Katrina L. Dunderdale, ALJ (w/enc)
Certificate of Service (w/enc)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	Docket No. R-2018-3000124
	:	
v.	:	
	:	
	:	
Duquesne Light Company – Base Rates	:	
	:	

PETITION TO INTERVENE OF KEYSTONE ENERGY EFFICIENCY ALLIANCE

Pursuant to 52 Pa. Code §§ 5.72-5.75, the Keystone Energy Efficiency Alliance, (“KEEA”) submits this Petition to Intervene in the above captioned proceeding.¹ KEEA has over 40 members that implement energy efficiency improvements in buildings across the Commonwealth, including in the service territory of Duquesne Light Company (“Duquesne”).² The ability of KEEA members to continue to offer energy efficiency improvements is potentially impacted by the outcome of this proceeding particularly if the result is to increase customer charges or implement

¹ KEEA recognizes that the prehearing conference has already been conducted and that the procedural schedule has been established. KEEA was only recently able to acquire counsel for this proceeding and accepts the schedule as adopted. As such, KEEA submits there is no prejudice to any party by granting this petition to intervene at this time.

² KEEA is a non-profit, tax-exempt 501(c)(6) corporation and is comprised of the following members: Advanced Energy Economy, Applied Energy Group, A1 Energy, C-Power, Clean Markets, LLC, CLEAResult, CMC Energy Services, Conservation Consultants, Inc., DMI Companies, DNV GL, Ecova, Electric Advisors Consulting, EMC Electric Market Connection, Encentiv Energy, Energy Coordinating Agency, Energy Federation, Inc., Energy Opportunities, Inc., FirstFuel, Four Seasons Produce Inc., Green Building Alliance, Green Building United, Home Performance Coalition, Honeywell Utility Solutions, ICF International, Lime Energy, MaGrann Associates, National Energy Foundation, National Energy Improvement Fund, Natural Resources Defense Council, Nest, Northeast Energy Efficiency Partnerships, Nexant, NRG Energy, Inc., Oracle, Performance Systems Development, Philips, Practical Energy Solutions, Schaedler Yesco Distribution, Inc., SmartWatt Energy, Inc., Sota Construction, The Franklin Energy Group, U.S. Green Building Council Central Pennsylvania, Veolia, and Warren Energy Engineering, LLC.

other measures that negatively impact the ability of customers to avail themselves of the energy efficiency improvements that can be offered by KEEA members.

In further support of this intervention, KEEA states as follows:

1. KEEA's attorneys in this matter are:

Sarah Stoner, Esq.
Daniel Clearfield, Esq.
213 Market Street, 8th Floor
Harrisburg, PA 17101
[sstoner@eckertseamans.com](mailto:ss Stoner@eckertseamans.com)
dclearfield@eckertseamans.com
Telephone: 717-237-6000
Facsimile: 717-237-6019

Eric Miller, Esq.
Policy Counsel
Keystone Energy Efficiency Alliance
1501 Cherry Street
Philadelphia, PA 19102
emiller@keealliance.org
Telephone: 973-495-0263

2. On March 28, 2018, Duquesne submitted a rate filing, Supplement No. 174 to Tariff Electric – Pa. PUC No. 24 (“Supplement No. 174”), which proposes to increase its distribution revenue by approximately \$133.8 million per year. To achieve this, in part, Duquesne proposes to increase the residential customer charge by 62.5%.

3. Duquesne also proposes in Supplement No. 174 to increase its rates for Back-Up Service from \$2.50 per kW to \$8.00 per kW, a 220% increase. Additionally, Duquesne proposes to retain existing tariff language that requires customers to pay twice the backup service rate where contracted capacity is exceeded. In those situations, backup service rates will increase from \$5.00 per kW to \$16.00 per kW.

4. Among other things, Duquesne proposes to recover expenses and investments associated with several new programs, including the development of a natural-gas fueled microgrid at its Woods Run Campus and the implementation of an EV ChargeUp Pilot Program.

5. The Commission's regulations allow intervention where a person has an interest in the proceeding which may be directly affected and which is not adequately represented by existing parties, and, as to which the person may be bound by the action of the Commission in the proceeding. 52 Pa. Code § 5.72(a)(2). Intervention is also permitted where participation of the person may be in the public interest. 52 Pa. Code § 5.72(a)(3). A "person" includes a corporation and an association. 52 Pa. Code § 1.8. KEEA meets the standards for intervention set forth in 52 Pa. Code § 5.72(a).

6. First, KEEA will be directly affected and bound by the outcome of this proceeding. KEEA is committed to improving the efficiency of Pennsylvania's buildings. As such, KEEA's members implement energy efficiency improvements in buildings across the Commonwealth, including in the service territory of Duquesne. Examples include lighting improvements, energy efficiency residential and commercial new construction, equipment manufacturing, and building control software solutions. KEEA's members also participate in the Act 129 programs of Duquesne by implementing portions of Duquesne's energy efficiency and conservation plan.

7. There are several ways in which the outcome of this proceeding could detrimentally impact KEEA's members. One is Duquesne's proposal to increase the fixed charge for various customer classes. Requiring customers to pay more could reduce the financial incentive for building owners to save energy, generating a longer payback period for efficiency improvements to the building envelop, building automation systems, heating, cooling, lighting, ventilation and other end uses. Reducing the incentives of Duquesne's customers to implement energy efficiency measures offered by KEEA will have a direct impact on KEEA's members. Therefore, any charges proposed by Duquesne which may increase costs for customers must be reviewed to assess their cost justification, their impact on the cost effectiveness to the customer

of implementing efficiency improvements and whether such increases are consistent with the policy of the Commonwealth to encourage energy efficiency.

8. KEEA's members will be directly impacted if Duquesne's proposed increase to back-up service rates are granted. Duquesne's proposed 220% increase for rates for backup power service for non-utility generating facilities will deter customer installations of cogeneration and small power production facilities, reducing the financial viability of energy efficiency measures offered by KEEA's members. This proposal appears to directly conflict with the Commission's policy to help advance the development of combined heat and power ("CHP") systems,³ Moreover, Duquesne's filing may also discourage customers evaluating energy efficiency measures such as cogeneration (such as CHP) and small power production facilities from even pursuing those measures during the pendency of this proceeding. This directly impacts KEEA's members that are looking to implement energy efficiency improvements in Duquesne's territory. Duquesne's proposal should be carefully evaluated as it is destined to render cogeneration (such as CHP) and small power production facilities projects infeasible.

9. While KEEA recognizes that Duquesne has no specific proposals to modify its Act 129 programs in this proceeding, KEEA's members directly participate in the Act 129 programs of Duquesne and could be detrimentally impacted if the outcome of this case is to negate the ability of KEEA members to continue to participate in these programs or the outcome otherwise impairs the functioning of Duquesne's Act 129 plan.

10. KEEA's members may also be impacted by Duquesne's proposed microgrid installation at its Woods Run Campus and its EV ChargeUp Pilot Program. Energy efficiency

³ *Final Policy Statement on Combined Heat and Power*, Docket No. M-2016-2530484, Final Policy Statement adopted April 5, 2018.

and demand response initiatives are best provided by companies, such as KEEA's members, with expertise in offering market-based solutions rather than through regulated distribution companies. Duquesne's proposed installations would require ratepayers to bear the risk of its investment and would impede investments to develop new technologies like microgrids and EV charging stations. Duquesne's proposed installation would negatively impact KEEA's members which cannot compete with a traditional utility that is guaranteed cost recovery for such projects. Consequently, this proceeding will directly impact the ability of KEEA's members to provide competitive distributed generation systems and other energy efficiency technologies in the Commonwealth.

11. These are the preliminary issues identified by KEEA at this early stage in the proceeding which have the potential to directly impact KEEA. KEEA reserves the right to raise and address issues identified through its continued review and analysis of Duquesne's rate increase proposal, discovery, or other issues raised by other parties which might result in decreasing the ability of KEEA's members to offer building energy efficiency in Pennsylvania.

12. For all these reasons, KEEA is directly impacted and will be bound by the outcome of this proceeding and, therefore, intervention should be granted.

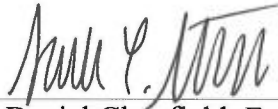
13. KEEA's interests in this proceeding are unique from, and not adequately represented by, other parties that may seek to intervene. KEEA is a well-established local organization which has extensive experience in energy efficiency in Pennsylvania. KEEA is an active participant in the Commission's Act 129 proceedings and can offer the unique perspectives and insights of a trade association representing a diverse mix of members that implement energy efficiency improvements in buildings across the Commonwealth. Moreover, some of KEEA's members are actively participating in the Act 129 programs of Duquesne and, therefore, KEEA

can assess and offer its perspectives about how Duquesne's proposals may affect the success of Duquesne's Act 129 initiatives. As such, KEEA's interests in this proceeding are unique from other parties that may seek to intervene and its intervention should be granted.

14. Regarding the final requirement for intervention, KEEA's intervention is in the public interest. As a party in this proceeding, KEEA will be able to offer its unique perspective and experience with energy efficiency programs for Duquesne's customers which will assist the Commission as it considers Duquesne's proposals.⁴ Thus, granting KEEA's intervention is in the public interest.

WHEREFORE, for all the reasons set forth above, KEEA respectfully requests that the Commission grant this Petition to Intervene.

Respectfully submitted,



Of Counsel:

Eric Miller, Esq.
Keystone Energy Efficiency Alliance
Policy Counsel
1501 Cherry Street
Philadelphia, PA 19102

Daniel Clearfield, Esq., Attorney ID 26183
Sarah C. Stoner, Esq., Attorney ID 313793
ECKERT SEAMANS CHERIN & MELLOTT, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
717.237.6000; 717.237.6019 (fax)
dclearfield@eckertseamans.com
sstoner@eckertseamans.com

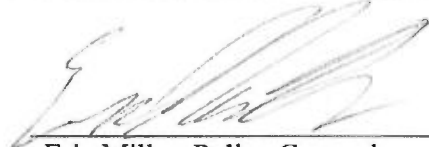
Dated: May 31, 2018

Counsel for Keystone Energy Efficiency Alliance

⁴ KEEA Energy Education Fund, the public education and charitable arm of KEEA, provided its insights to the Commission in PECO Energy Company's 2015 rate case (Docket No. R-2015-2468981) and PPL Electric Utilities Corporation's 2015 rate case (Docket No. R-2015-2469275).

VERIFICATION

I hereby verify that the facts contained in the foregoing pleading are true and accurate to the best of my knowledge and that I am duly authorized to make this verification, and that I expect to be able to prove the same at any hearing held in this matter. I understand that the statements herein are made subject to penalties of 10 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



Eric Miller, Policy Counsel
Keystone Energy Efficiency Alliance
KEEA Energy Education Fund

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of the foregoing Petition to Intervene upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email and/or First Class Mail

Michael W. Gang, Esq.
Anthony D. Kanagy, Esq.
Post & Schell, P.C.
12th Floor
17 North Second Street
Harrisburg, PA 17101
mgang@postschell.com
akanagy@postschell.com

Phillip D. Demanchick, Esq.
Darryl Lawrence, Esq.
Aaron J. Beatty, Esq.
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
pdemanchick@paoca.org
dlawrence@paoca.org
abeatty@paoca.org

Anthony C. DeCustatis, Esq.
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
Anthony.decusatis@morganlewis.com

Tishekia E. Williams, Esq.
Duquesne Light Company
411 Seventh Ave., 16th Floor
Pittsburgh, PA 15219
twilliams@duqlight.com

Gina L. Miller, Esq.
John M. Coogan, Esq.
Bureau of Investigation and Enforcement
PA Public Utility Commission
Commonwealth Keystone Building
P.O. Box 3265
400 North Street, 2nd Floor West
Harrisburg, PA 17105-3265
ginmiller@pa.gov
jcoogan@pa.gov

Pamela C. Polacek, Esq.
Matthew L. Garber, Esq.
McNees Wallace & Nurick, LLC
100 Pine Street
PO Box 1166
Harrisburg, PA 17108-1166
ppolacek@mcneeslaw.com
mgarber@mcneeslaw.com

Sharon Webb, Esq.
Office of Small Business Advocate
Commerce Building
300 North Second Street, Suite 202
Harrisburg, PA 17101
swebb@pa.gov

Joseph L. Vullo, Esq.
1460 Wyoming Ave.
Forty Fort, PA 18704
jlvullo@aol.com

Patrick M. Cicero, Esq.
Kadeem G. Morris, Esq.
Elizabeth R. Marx, Esq.
Joline Price, Esq.
The Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
pulp@palegalaid.net

David P. Zambito, Esq.
Jonathan P. Nase, Esq.
Cozen O'Connor
17 North Second St., Suite 1410
Harrisburg, PA 17101
dzambito@cozen.com
jnase@cozen.com

Mark C. Szybist, Esq.
Natural Resources Defense Council
Suite 300
1152 15th St., NW
Washington, DC 20005
mszybist@nrdc.org

Derrick Price Williamson, Esq.
Barry A. Naum, Esq.
Spilman Thomas & Battle, LLC
1100 Bent Creek Blvd., Suite 101
Mechanicsburg, PA 17050
dwilliamson@spilmanlaw.com
bnaum@spilmanlaw.com

William H. Roberts II, Esq.
PNG Companies LLC
375 North Shore Drive
Pittsburgh, PA 15212
william.h.robertsii@peoples-gas.com

Renardo L. Hicks, Esq.
Dilworth Paxson, LLP
2 North 2nd Street, Suite 1101
Harrisburg, PA 17101-2105
Rhicks@dilworthlaw.com

Scott Rubin, Esq.
333 Oak Lane
Bloomsburg, PA 17815-2036
scott.j.rubin@gmail.com

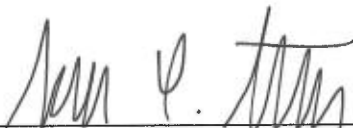
SERVICE VIA FIRST CLASS MAIL

Jason Dolby
409 Anawanda Ave.
Pittsburgh, PA 15228

SERVICE VIA E-MAIL ONLY

Joseph Otis Minott, Esq.
Logan Welde, Esq.
Clean Air Council
135 South 19th Street
Suite 300
Philadelphia, PA 19103
lwelde@cleanair.org
joe_minott@cleanair.org

Date: May 31, 2018



Sarah C. Stoner, Esquire