



August 20, 2018

Via E-Filing

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

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

Dear Secretary Chiavetta:

Enclosed please find the Comments of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) to the Petition of PPL Electric Utilities Corporation for Approval of Changes to its Act 129 Phase III Energy Efficiency and Conservation Plan filed July 20, 2018. Copies will be circulated per the attached Certificate of Service.

Respectfully submitted,
PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA

A handwritten signature in blue ink, appearing to read "Patrick M. Cicero", is written over a horizontal line.

Patrick M. Cicero, Esquire

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities Corporation :
for Approval of an Energy Efficiency and : Docket No.: M-2015-2515642
Conservation Plan :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served copies of the Comments of the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania (CAUSE-PA) as set forth below in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA U.S. MAIL & EMAIL

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August 20, 2018

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of PPL Electric Utilities
Corporation for Approval of its Act 129
Phase III Energy Efficiency and
Conservation Plan**

Docket No. M-2015-2515642

**COMMENTS OF THE COALITION FOR AFFORDABLE UTILITY SERVICE AND
ENERGY EFFICIENCY IN PENNSYLVANIA (CAUSE-PA)**

Introduction

On November 30, 2015, PPL Electric Utilities Corporation (“PPL” or the “Company”) filed a Petition for Approval of its Act 129 Phase III Energy Efficiency and Conservation Plan (“Phase III Plan” or “Plan”) with the Pennsylvania Public Utility Commission (“Commission” or “PUC”) in compliance with 66 Pa. C.S. § 2806.1(b) (relating to energy efficiency and conservation programs) and in accordance with the Commission’s Energy Efficiency and Conservation Program Implementation Order, entered on June 19, 2015, at Docket No. M-2014-2424864 (“Phase III Implementation Order”). After litigation and hearings, the Commission approved PPL’s Phase III Plan. *See Petition of PPL Electric Utilities Corp. for Approval of its Act 129 Phase III Energy Efficiency and Conservation Plan*, Docket No. M-2015-2515642 (Order Entered Mar. 17, 2016); Secretarial Letter, Docket No. M-2015-2515642 (June 27, 2016).

On July 20, 2018, pursuant to the Commission’s established review process of approving plan changes by electric distribution companies, PPL filed an omnibus Petition and requested Commission approval of eight (8) modifications, both major and minor, to its Phase III Plan. *See Petition of PPL Electric Utilities Corp. for Approval of Changes to its Act 129 Phase III Energy*

Efficiency and Conservation Plan, Docket No. M-2015-2515642 (“July 2018 Petition”). PPL chose to submit a single petition seeking approval for all eight (8) changes and requesting review of the petition in omnibus fashion pursuant to the Commission’s major change procedures that were reaffirmed in the Commission’s Phase III Implementation Order. *See Energy Efficiency and Conservation Program*, Docket No. M-2014-2424864, Order Entered June 19, 2015, at 115-18 (adopting the minor and major change process of previous phases for Phase III). According to the Commission’s major change procedures, comments and/or answers from interested parties are due 30 days from service of the July 2018 Petition, and replies to any comments and answers are due 20 days thereafter.

These comments are submitted in response to PPL’s July 2018 Petition by the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA). CAUSE-PA was an active party in the underlying proceeding, as was a signatory to the Joint Petition for Approval of Partial Settlement filed in this proceeding.

CAUSE-PA believes that improving the energy efficiency of low-income households not only provides direct economic benefits to these vulnerable households, it also has the potential to materially improve participants’ quality of life by addressing health and safety issues that may be present. Comprehensive energy efficiency upgrades reduce customer assistance program (CAP) costs, save energy for economically vulnerable households, increase comfort, and routinely identify and resolve health and safety concerns. Lower income populations are also commonly more vulnerable to both the short-term pollutants that result from electric generation and to the potential consequences of climate change, both of which are lessened by improved energy efficiency programming.

Comments

PPL has proposed eight (8) changes to its EE&C Plan some of which are major and some of which are minor. *See* July 2018 Petition ¶¶ 8a – h. CAUSE-PA has comments about two (2) of the proposed changes.

PPL proposes to add a Low-Income Home Energy Education measure to its Low-Income WRAP, which is the program that targets energy efficiency and education measures to PPL's low income customers. In essence, under this proposed change, PPL would offer home energy reports (HERs) to low-income customers that would be delivered using the same conservation service provider and subcontractor who are delivering these reports to the general residential program. July 2018 Petition ¶ 32. The messages and tips in these proposed low income HERs would be tailored to low income households and would encourage low income customers to enroll in PPL's customer assistance program (called OnTrack) and their Low Income Usage Reduction Program (called WRAP). July 2018 Petition ¶ 33. PPL indicates that the estimated cost of this measure is approximately \$66,000, which would be reallocated from the dollars that are already allocated to its general residential Home Energy Education Program. July 2018 Petition ¶ 34. PPL estimates that the addition of this measure would save 1,600 MWH/year. *Id.*

In addition, PPL proposes to add a Low-Income Student Energy Efficiency Education measure to its Low-Income WRAP, which would be substantially similar to the Student Energy Efficient Education Program within its general residential program portfolio, but would focus on schools in low income areas of PPL's service territory. July 2018 Petition ¶ 35. PPL provides no detail about this program in its Petition, but a review of the redlined plan shows that the savings attributable to this program rely heavily on the distribution of take-home energy efficiency kits. See PPL Electric Utilities Corporation Energy Efficiency and Conservation Plan,

Act 129 Phase III, Section 3.2, Residential Programs, Student Energy Efficient Education Program, pages 58-62, attached to July 2018 Petition (“Phase III Act 129 Plan”). PPL estimates that 29,690 students will participate in the newly proposed low income portion of this program. Id. at 61, Table 30. The cost of this program change is \$1,350,000 with an estimated savings of 6,000 MWH/year. July 2018 Petition ¶ 37. Both the dollars and anticipated savings will be reallocated from the general Student Energy Efficient Education Program. Id.

CAUSE-PA neither supports nor opposes these two proposed plan changes. In general, it is CAUSE-PA’s position that funds allocated to achieving energy savings should result in meaningful bill reductions for participating low income households; that is, in the direct installation of energy efficiency measures, as opposed to short-term savings such as those produced by home energy reports.¹ While home energy reports provide verifiable savings in the aggregate, they provide relatively small savings at the household level. Because the changes for any given household are relatively small, they likely don’t stand out from the month to month variation that tends to occur naturally. While energy education kits may provide some savings to households; however, because these kits are not installed by PPL contractors, and are instead distributed to students to take home to their parents or guardians, there is no means of verifying that any of the measures are actually installed. Furthermore, even when installed, the measures contained in these kits are not likely to generate appreciable bill savings that will meaningfully reduce energy burdens. See Phase III Act 129 Plan, Section 3.2, Energy Efficiency Kits and Education Program, Page 80, Table 43, listing generally kit contents. CAUSE-PA believes that,

¹ A study of home energy report programs revealed that personalized educational reports achieve savings between 1.5% and 2.5% annually, provided the programs are ongoing. After the program stops, and customers no longer receive reports, the marginal savings achieved will erode quickly and continuously over time. Indeed, the true value in providing targeted home energy education is to encourage households to adopt comprehensive, long-term savings measures, which low income households are most often unable to afford. CADMUS, Long-Run Savings and Cost-Effectiveness of Home Energy Report Programs, at 3 (Winter 2014/2015).

in general, PPL – and its customers – would be better off focusing on whole-house and/or weatherization (insulation, air sealing) measures typically have higher realization rates, are verifiable and represent a better investment of program dollars.

However, because the funding for these proposed program changes is not coming from other low income programs, but rather from similarly-targeted residential programs, CAUSE-PA does not object to the Plan modifications as proposed. That is, these proposed modifications are supplemental to the portfolio of programs designed to assist low income customers and do not supplant those programs.

However, CAUSE-PA recommends, that PPL work with stakeholders to design the messaging contained in the proposed low income home energy reports. In its petition, PPL asserts that the messaging will be tailored to low income households, but does not elaborate on the specifics of the messaging. Ensuring that low income households receive messaging and tips which they can meaningfully adopt is critical. Thus, prior to implementation, PPL should provide stakeholders with the opportunity to offer feedback about the tailored messages to be contained in the reports. Additionally, CAUSE-PA recommends that PPL commit to monitoring the effectiveness of the messaging that is being communicated and whether the inclusion of messages encouraging low income households to enroll in PPL’s customer assistance programs has any effect on actual enrollment levels in these programs.

Conclusion

CAUSE-PA thanks the Commission for the opportunity to provide these comments and looks forward to working constructively with PPL and other stakeholders throughout the remainder of Phase III to ensure the success of PPL's low income programming.

Respectfully submitted,

PENNSYLVANIA UTILITY LAW PROJECT

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