

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
800-684-6560

FAX (717) 783-7152
consumer@paoca.org

August 20, 2018

Rosemary Chiavetta, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg.
400 North Street
Harrisburg, PA 17120

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 Office of Consumer Advocate's Comments in the above-referenced proceeding.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lauren M. Burge".

Lauren M. Burge
Assistant Consumer Advocate
PA Attorney I.D. 311570
E-Mail: LBurge@paoca.org

Enclosure

cc: Office of Administrative Law Judge
Certificate of Service

*257153

CERTIFICATE OF SERVICE

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

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Comments, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 20th day of August 2018.

SERVICE BY E-MAIL and FIRST CLASS MAIL

Devin T. Ryan, Esquire
Post & Schell PC
17 North Second Street
12th Floor
Harrisburg, PA 17101-1601

David B. MacGregor, Esquire
Post & Schell PC
Four Penn Center
1600 John F. Kennedy Blvd.
Philadelphia, PA 19103-2808

Kimberly Klock, Esquire
Amy E. Hirakis, Esquire
PPL Electric Utilities Corporation
Two North Ninth Street
Allentown, PA 18101

Elizabeth Rose Triscari, Esquire
Office of Small Business Advocate
Commerce Building, Suite 202
300 North Second Street
Harrisburg, PA 17101

Joseph L. Vullo, Esquire
Burke Vullo Reilly Roberts
1430 Wyoming Avenue
Forty Fort, PA 18704

Adeolu A. Bakare, Esquire
Pamela C. Polacek, Esquire
Alessandra Hylander, Esquire
McNees Wallace & Nurick, LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166

Patrick M. Cicero, Esquire
Elizabeth R. Marx, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101

Judith D. Cassel, Esquire
Micah R. Bucy, Esquire
Hawke McKeon & Sniscak LLP
100 North Tenth Street
Harrisburg, PA 17101

Derrick P. Williamson, Esquire
Barry A. Naum, Esquire
Spilman Thomas & Battle
1100 Bent Creek Blvd., Suite 101
Mechanicsburg, PA 17050

Daniel Clearfield, Esquire
Deanne M. O'Dell, Esquire
Sarah Stoner, Esquire
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101

Scott H. DeBroff, Esquire
Clark Hill PLC
301 Grant Street, 14th Floor
Pittsburgh, PA 15219

\s\ Lauren M. Burge
Lauren M. Burge
Assistant Consumer Advocate
PA Attorney I.D. 311570
E-Mail: LBurge@paoca.org

Darryl A. Lawrence
Senior Assistant Consumer Advocate
PA Attorney I.D. # 93682
E-Mail: DLawrence@paoca.org

Counsel for
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: (717) 783-5048
Fax: (717) 783-7152
*257154

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

COMMENTS OF THE
OFFICE OF CONSUMER ADVOCATE

Lauren M. Burge
Assistant Consumer Advocate
PA Attorney I.D. # 311570
E-Mail: LBurge@paoca.org

Darryl Lawrence
Senior Assistant Consumer Advocate
PA Attorney I.D. # 93682
E-Mail: DLawrence@paoca.org

Counsel for:
Tanya J. McCloskey
Acting Consumer Advocate

Office of Consumer Advocate
555 Walnut Street 5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: (717) 783-5048
Fax: (717) 783-7152

August 20, 2018

I. INTRODUCTION

On July 20, 2018, PPL Electric Utilities Corporation (PPL or the Company) filed its Petition of PPL Electric Utilities Corporation for Approval of Changes to its Act 129 Phase III Energy Efficiency and Conservation Plan (Petition) with the Pennsylvania Public Utility Commission (Commission). In its Petition, PPL seeks approval of one “major” modification and seven “minor” modifications to its Phase III Act 129 Energy Efficiency and Conservation Plan (Phase III EE&C Plan). Although PPL’s proposed changes include both major and minor changes, PPL requested that its Petition be reviewed under the procedural schedule established for changes that do not meet the minor change criteria (i.e. “major changes”). Petition at 1-2.

The Commission has stated that an electric distribution company “seeking approval of changes that do not fit within the Minor EE&C Plan change criteria . . . must file a petition requesting that the Commission rescind and amend its prior order approving the plan. . ..”¹ The petition “should explain the specific reasons supporting the requested modifications, evidence supporting the modifications to the plan and cost recovery mechanism.” *Id.* Under this procedure, interested parties have 30 days to file comments or answers to PPL’s Petition. Parties then have 20 days to file reply comments, after which the Commission will determine whether to rule on the proposed changes or refer the matter to the Office of Administrative Law Judge for hearings. *Id.*

In its Petition, PPL states that in the time since the approval of its Phase III EE&C Plan, it has “continued to fine tune its key assumptions and the mix of measures and programs for its Phase III EE&C Plan.” Petition at 5. PPL further explains that the proposed changes are intended to:

enable the Company to meet its Phase III compliance targets within its Phase III budget, to better reflect actual participation in and experience with the Phase III programs, to increase opportunities for low-income customers to participate in the

¹ Energy Efficiency and Conservation Program, Docket No. M-2008-2069887 (Order entered June 10, 2011), at 20 (hereinafter, Minor Plan Change Order).

EE&C Plan and obtain energy savings, and to enhance the delivery of the low-income new homes measure.

Petition at 7. PPL states that the proposed changes will not affect either the total estimated savings or total estimated cost for the Phase III Plan. Id.

The Office of Consumer Advocate (OCA) submits these comments in response to PPL's Petition for the Commission's consideration. The OCA is generally supportive of PPL's proposed modifications and of providing flexibility to meet the plan's targets in the most efficient matter. In its comments below, the OCA offers specific suggestions for program implementation or improvement. The OCA will discuss the suggestions it has identified with some of PPL's proposed modifications to the residential programs in its Comments below.

II. COMMENTS

A. Add a Low-Income Home Energy Education Measure to Low-Income WRAP (Minor Change)

In this minor plan change, PPL proposes to add a Low-Income Home Energy Education component to its Low-Income Winter Relief Assistance Program (WRAP). Petition at ¶ 32. This program would provide home energy reports (HERs) to low-income customers that are similar to those provided to non-low income customers, although PPL indicates that the messaging and tips would be different for low-income customers. *Id.* The low-income HERs would also encourage customers to enroll in PPL's Low-Income Usage Reduction Program WRAP, and PPL's OnTrack customer assistance program. *Id.* PPL explained that this modification is necessary to ensure it exceeds its low-income compliance target by at least 10%. Petition at ¶ 33. Additionally, this measure will not change the total cost or savings in PPL's Phase III plan, and will not change total costs for the residential customer class. Petition at ¶ 34.

The OCA generally supports PPL's proposal to extend HERs to low-income customers. However, the OCA submits that PPL should commit to working with stakeholders to ensure that the messaging contained in these reports is specifically tailored to low-income customers and that the reports are as effective as possible. For example, stakeholders may suggest other programs, such as LIHEAP or hardship funds, or other cost-free energy efficiency measures that the low-income HERs should promote. PPL should commit to working with stakeholders in developing appropriate messaging.

Additionally, the OCA submits that this type of program must be closely monitored and evaluated to determine its effectiveness. The OCA submits that, if PPL implements this proposal, it should be required to review the actual, verified savings achieved from the program with the stakeholders at the end of the first program year in which the measure is implemented. If the

measure is not achieving the expected level of savings at the end of the first program year, then PPL should convene a meeting with the stakeholders to discuss what strategies could be implemented to address any concerns related to low-income HER measure. This will help to ensure that the measure is effective going forward and that stakeholders will be able to provide meaningful input if the measure is not providing the necessary reductions at a reasonable cost.

B. Add a Low-Income Student Energy Efficient Education Measure to Low-Income WRAP (Minor Change)

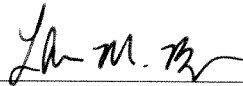
In its Petition, PPL proposes to add a Low-Income Student Energy Efficient Education measure to its Low-Income WRAP. Petition at ¶ 35. If approved, this program would be similar to the current Student Energy Efficient Education Program but would focus specifically on schools in low-income areas. Id. PPL explained that this modification is necessary to ensure it exceeds its low-income compliance target by at least 10%. Petition at ¶ 36. Additionally, this measure will not change the total cost or savings in PPL's Phase III plan, and will not change total costs for the residential customer class. Petition at ¶ 37.

The OCA does not oppose expanding this program to additional schools. The OCA submits, however, that PPL should work with stakeholders and trade allies to discuss how best to reach schools and low-income students with energy efficiency education. The OCA also submits that PPL should provide greater energy efficiency measures as part of this program. PPL should work with stakeholders to determine what measures should be included as part of this program.

III. CONCLUSION

The OCA respectfully requests that the Commission and the Company consider these comments relating to PPL's proposals to modify its Phase III EE&C Plan. As explained above, the OCA is generally supportive of PPL's proposed modifications and of providing flexibility to meet the plan's targets in the most efficient matter. The OCA submits that its comments will help to ensure stakeholders have input on appropriate measures and messaging to help ensure that these programs are as effective as possible.

Respectfully Submitted,



Lauren M. Burge
Assistant Consumer Advocate
PA Attorney I.D. # 311570
E-Mail: LBurge@paoca.org

Darryl Lawrence
Senior Assistant Consumer Advocate
PA Attorney I.D. # 93682
E-Mail: DLawrence@paoca.org

Counsel for:
Tanya J. McCloskey
Acting Consumer Advocate

Office of Consumer Advocate
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