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May 24, 2019

VIA ELECTRONIC FILING

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, Room-N201
400 North Street
Harrisburg, PA 17120

Re: **Implementation of the Alternative Energy Portfolio Standards Act of 2004:
Standards for the Participation of Demand Side Management Resources –
Technical Reference Manual 2021 Update
M-2019-3006867**

Dear Secretary Chiavetta:

Enclosed please find Duquesne Light Company's Comments for filing in the above referenced proceeding.

Upon receipt, if you have any questions regarding the information contained in this filing, please feel free to contact me or Audrey Waldock at 412-393-6334 or awaldock@duqlight.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "LB", with a large, stylized flourish extending to the right.

Lindsay A. Baxter
Manager, State Regulatory Strategy

Enclosure

cc (w/enc.): Regi Sam (rsam@pa.gov)
Kriss Brown (kribrown@pa.gov)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Implementation of the Alternative Energy Portfolio :
Standards Act of 2004: Standards for the :
Participation of Demand Side Management : M-2019-3006867
Resources – Technical Reference Manual 2021 :
Update :

**COMMENTS OF
DUQUESNE LIGHT COMPANY**

On April 11, 2019 the Pennsylvania Public Utility Commission (“Commission” or “PUC”) issued a Tentative Order seeking comment on proposed updates to the Technical Reference Manual (“TRM”) as part of a potential Phase IV of the Act 129 Energy Efficiency and Conservation (“EE&C”) Program. In the Tentative Order, the Commission provided for interested parties to submit comments thirty days after publication in the *Pennsylvania Bulletin*. Pursuant to that directive, Duquesne Light Company (“Duquesne Light” or “Company”) hereby submits its comments.

Duquesne Light generally supports the proposed modifications to the 2021 TRM and offers some suggested changes based on three broad principles:

- Generalizations that have potential to introduce significant inaccuracies and make it more difficult for electric distribution companies (EDCs) to achieve compliance with savings goals should be avoided.
- Evaluation, measurement, and verification (EM&V) should measure program impacts, without placing unnecessary burden on program implementation activities.
- Removal of the default values hampers program implementation and increases measurement risk for EDCs. Default values should be retained and updated based on EM&V sampling.

These issues are discussed more fully below.

I. Subsection B.6. Updated C&I Building Types: The Draft 2021 TRM proposes combining building types for fast food restaurants and sit-down or full menu restaurants under the general heading “restaurants.” These two building types have very different operating hours and energy intensities. Combining them into one category risks undervaluing energy efficiency improvements in this sector, as the hours of usage (HOU) for Sit-Down Restaurant is 4,182¹, whereas the HOU for Fast Food Restaurant is 6,376. This matter is similar to changes in the HOU for Healthcare facilities that were made in the 2016 TRM². The Company asserts that these values should not be generalized; doing so creates barriers to effective market segmentation and target marketing of energy efficiency programs.

II. Subsection E Existing Residential EE&C Measure protocols, subsection 19: This section proposes to remove default values for appliance recycling. Removal of the default values hampers program implementation and increases measurement risk for EDCs. Default values should be retained and updated based on EM&V sampling. Program implementation should not be burdened by incremental increases in data collection. The savings impact variances are de minimis. The measurement option selected should protect program productivity, not incrementally complicate it.

¹ National Renewable Energy Laboratory, *The Uniform Methods Project: Methods for Determining Energy Efficiency Savings for Specific Measures*. Chapter 2: Commercial and Industrial Lighting Evaluation Protocol (NREL/SR-7A30-53827), April 2013, pg. 109.

² The 2016 TRM combined Healthcare—Medical Clinics and Healthcare—Hospitals into one category, “Health,” which resulted in drastic undercounting of savings for projects in Hospitals of only 2,943 hours per year, as compared to 5,182 hours per year in the 2014 and 2015 TRM. The proposed TRM under review appears to have addressed this matter by separating Hospitals into a separate category from other Healthcare applications.

III. Subsection F. Existing C&I EE&C Measure Protocols, subsection 1. TRM Section 3.1.1. Lighting Improvements:

Subsection “a.” Measure Life: The proposed differentiation of four-foot tube types for discrete assignment of Effective Useful Life (EUL) is based on flawed assumptions and will make it harder for EDCs to 1) achieve mandated savings, and 2) track and report program activity. The proposed TRM would reduce the EUL of installed LEDs are follows:

| LED Type | Driver (what powers the LED) | Current EUL (Years) | Proposed EUL (Years) |
|-----------------|-------------------------------------|----------------------------|-----------------------------|
| A | T8 Ballast – Integral | 15 | 5 |
| B | Line Voltage – Integral Driver | 15 | 15 |
| C | Remote LED Driver | 15 | 15 |

Duquesne Light believe there is no basis for this proposed change. In the Company’s experience, a customer with an integral T8 ballast would simply replace the ballast if it fails, continuing to use a Type A LED linear fluorescent replacement technology. The reduction of the EUL for Type A LED tubes by 2/3s is arbitrary and counterintuitive. Additionally, this proposed modification will require changes to the tracking system to disaggregate four-foot LED tubes into additional categories. This proposal should not be accepted.

Subsection “d.” Hours of Use: This section understates annual darkness hours applicable to most exterior lighting in the Pittsburgh area. The proposed adjustment of exterior lighting to 3,604 hours of operation is inaccurate for Pittsburgh. We believe a more accurate value is reflected in the 2019 U. S. Naval Observatory which confirms 4,305 darkness hours for Pittsburgh. This number is

consistent with Duquesne Light's Commission-approved tariff rates for street lights and private area exterior lighting, which are based on annual light operation of 4,200 hours per year. The street light tariffs of PPL, PECO, and West Penn Power all use a similar hour figure. The proposed change to 3,604 hours of exterior lighting operation is not supported.

IV. Subsection F. Existing C&I EE&C Measure Protocols, subsection 40. Section 3.8.1 – Wall and Ceiling Insulation: Removal of the default values hampers program implementation and increases measurement risk for EDCs. Default values should be retained and updated based on EM&V sampling. EM&V should measure the program impacts; program implementation should not be burdened by additional “EDC data gathering.” This proposal should not be accepted.

V. Sections 2.1.1. EnergyStar Lighting Subsections “a” and “b” and Section 3.1.1. Subsection “c”: These sections understate the impact of the Department of Energy's (DOE's) February 19th, 2019 Notice of Proposed Rulemaking (NOPR). DOE contends in the NOPR that it did not have the legal authority in 2017 to amend the definitions of General Service Lamp (GSL) and General Service Incandescent Lamp (GSIL). As a result, the changes to the exemptions found in the regulations should not have been made. More significantly, the NOPR also finds that the 45 lumens/watt (lm/W) 2020 backstop was never “triggered.” On page 3121 of the Federal Register (Vol. 84, No. 28), the department notes that Energy Independence and Security Act of 2007 requires the development of revised standards within three years of determining that the applicable energy conservation standards should be amended. If the department fails to do so, the 45 lm/W

backstop will automatically take effect in 2020. Because of appropriations restrictions put in place by Congress, the DOE never determined if the standards should be amended. As a result, “DOE has not yet made a determination on whether to amend standards for GSLs, including GSILs, [...] therefore no backstop energy conservation standard has yet been imposed...” (p. 3123). Thus, it is premature to shift to a 45 lm/W baseline in the 2021 TRM. This proposal should not be accepted.

CONCLUSION

The Company supports the Commission's efforts to update the TRM to account for new measures and regulatory changes. Additionally, Duquesne Light supports many of the changes included in the draft 2021 TRM. However, the Company respectfully disagrees with the aforementioned elements proposed for the 2021 TRM which serve to distort reporting of savings, have not been supported by data, and would impose unnecessary administrative burden on the part of EDCs.

Respectfully submitted,



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Date: May 24, 2019