

**Russell Zerbo**

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April 26, 2020

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
PO Box 3265  
Harrisburg, PA 17105-3265

**RE: Comments to the Pennsylvania Public Utility Commissions Tentative  
Implementation Order - Docket No. M-2020-3015228**

Dear Secretary Chiavetta:

Enclosed for filing with the Commission are comments regarding the implementation of phase IV of Act 129.

If you have any questions concerning this filing, please do not hesitate to contact me.

Thank you,

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The Pennsylvania Public Utility Commission's (PUC) proposed plan for Phase IV of the Energy Efficiency and Conservation Program, created by Act 129 of 2008, sets important electricity reduction targets for the next few years; however, it fails to motivate utilities to use all tools at their disposal to reach these targets. Specifically, the plan fails to incentivize the use of dispatchable demand response (DDR) programs which incentivize conservation through increased access to electricity usage data using smart meters (see p.26 of the Implementation Order).

Given that energy demand changes throughout the day, demand response programs look to strategically move some of the demand or load on the electricity grid to the periods where demand is low. For example, customers might run their dishwashers during the day rather than right after dinner. Reducing peak demand is key to ensuring that older, dirtier, reserve power plants don't need to come back online during periods of high demand. Additionally, reducing periods of high demand can help to reduce stress on aging grid infrastructure and prevent blackouts.

While the DDR study commissioned by the PUC didn't show solid benefits across the board, the commission should be encouraging utilities to pursue these programs seriously. This is especially important given the roll out of customer-funded smart meters, which facilitate demand response programs yet are not being sufficiently used by utilities. As noted by the PUC, "higher incentive levels produce increased estimates of participation and peak demand reduction." (pp. 29 of the Implementation Order) By the end of 2023, all customer's of Pennsylvania's 7 largest electricity distribution systems will be required to have functioning smart meters and will be charged a monthly fee. In order for smart meters to create savings for consumers beyond their costs, utilities and customers must have the latest information about electricity usage and be given clear incentives for reducing electricity consumption during periods of high demand.

To that end, I urge Pennsylvania electric utilities to further commit to "Time of Use" pricing where residents can pay less for electricity during times of low demand. This dynamic pricing structure is facilitated by the use of smart meters and gives residents the option to purchase cheaper electricity while reducing peak demand.

Please increase the deployment and usage of smart meters in order to most effectively reduce peak demand electricity consumption, saving consumers money on electricity and reducing the air pollution associated with electricity generation. Thank you for your time.