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March 1, 2021

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

VIA ELECTRONIC FILING

RE: Petition of PECO Energy Company For Approval of its Act 129 Phase IV Energy Efficiency and Conservation Plan; Docket No. M-2020-3020830

Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission are the Reply Comments of the Philadelphia Area Industrial Energy Users Group ("PAIEUG") in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to these proceedings are being duly served via email only due to the current COVID-19 pandemic. Upon lifting of the aforementioned Emergency Order, we can provide parties with a hard copy.

Sincerely,

McNEES WALLACE & NURICK LLC

By Charis Mercarage

Charis Mincavage

Counsel to the Philadelphia Area Industrial Energy Users Group

Enclosure

c: Deputy Chief Administrative Law Judge Mark A. Hoyer (via E-mail) Administrative Law Judge Emily DeVoe (via E-mail) Certificate of Service

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

VIA E-MAIL

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Counsel to the Philadelphia Area Industrial Energy Users Group

Dated this 1st day of March, 2021, at Harrisburg, Pennsylvania

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Petition of PECO Energy Company For Approval of its Act 129 Phase IV Energy Efficiency and Conservation Plan

Docket No. M-2020-3020830

REPLY COMMENTS OF THE PHILADELPHIA AREA INDUSTRIAL ENERGY USERS GROUP

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Dated: March 1, 2021

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I. <u>INTRODUCTION</u>

On November 30, 2020, PECO Energy Company ("PECO" or "Company") petitioned the Pennsylvania Public Utility Commission ("PUC" or "Commission") for approval of the Company's Phase IV Energy Efficiency & Conservation ("EE&C") Plan ("Phase IV Plan"). PECO's Petition for Approval of its Phase IV Plan ("Petition") outlines PECO's proposal to address the requirements of Act 129 and the PUC's Phase IV Implementation Order.¹ *See* Petition, p. 1.

Pursuant to the procedural schedule established in this proceeding, parties were permitted to submit Comments between January 22, 2021, and January 25, 2021, with Reply Comments due March 1, 2021. As discussed more fully in Section II, *infra*, the Philadelphia Area Industrial Energy Users Group ("PAIEUG") submits these Reply Comments to respond to a specific issue raised in the Comments of Ceres, which argued that Electric Distribution Companies ("EDCs") should be mandated to continue to spend their Phase IV Act 129 budgets even after the EDCs' Phase IV goals are met.² For the reasons detailed below, PAIEUG respectfully requests that the Commission deny Ceres' recommendation and confirm that, as discussed in the Implementation Order,³ the PUC will permit EDCs to spend their Phase IV budgets after their Phase IV goals have been met, but such spending is not required by the Commission.

II. <u>COMMENTS</u>

In the Comments filed by Ceres on January 25, 2021, Ceres asked that the Commission consider a number of recommendations, including that the Commission mandate EDCs to continue spending their Phase IV budgets on their EE&C Programs even after attaining the required Phase IV EEC targets. What Ceres fails to recognize, however, is that the Commission has already

¹ Energy Efficiency and Conservation Program; Docket No. M-2020-3015228, Implementation Order (June 18, 2020) ("Implementation Order").

² Ceres filed substantially similar Comments in all of the various EDC Phase IV EEC proceedings.

³ Implementation Order, pp. 131-132.

considered and rejected this mandate in the Implementation Order.⁴ During the PUC's contemplation of Phase IV implementation processes and procedures, Ceres, along with the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania ("CAUSE-PA"), Keystone Energy Efficiency Alliance ("KEEA"), and Regional Housing Legal Services (collectively, "PA-EEFA"), made the very same suggestion.⁵ The Commission directly rejected this suggestion, stating that "[f]or Phase IV of Act 129, we will not adopt the suggestions put forth by PA EEFA, CAUSE-PA, Ceres, or KEEA, as they are contrary to the EE&C Plan limitations on costs."⁶ As nothing has changed between the issuance of the Phase IV Final Implementation Order in June 2020 and the consideration of PECO's Phase IV EE&C Plan proposal, a change in the Commission's recent decision is not warranted. Accordingly, the Commission must deny Ceres' recommendation and, instead, confirm that EDCs are not mandated to continue to spend their Phase IV budget after meeting their Phase IV targets.

⁴ *Id*.

⁵ *Id.* at 131.

⁶ Id.

III. <u>CONCLUSION</u>

WHEREFORE, the Philadelphia Area Industrial Energy Users Group respectfully request that the Pennsylvania Public Utility Commission deny Ceres' recommendation for the reasons set forth in the above Reply Comments.

Respectfully submitted,

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