PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

Public Meeting held April 20, 2023

Commissioners Present:

Gladys Brown Dutrieuille, Chairman
Stephen M. DeFrank, Vice Chairman
Ralph V. Yanora
Kathryn L. Zerfuss
John F. Coleman, Jr.

Petition of PPL Electric Utilities Corporation for Approval of Changes to its Act 129 Phase IV Energy Efficiency and Conservation Plan	M-2020-3020824

OPINION AND ORDER

BY THE COMMISSION:

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the Petition of PPL Electric Utilities Corporation (PPL, Company, or the Petitioner) for Approval of Changes to its Act 129 Phase IV Energy Efficiency and Conservation (EE&C) Plan (Petition), filed on December 30, 2022, in the above-captioned proceeding. Answers to the Petition were filed by the Office of Small Business Advocate (OSBA) and the Coalition for Affordable Utility Services and Energy

Efficiency in Pennsylvania (CAUSE-PA) on January 19, 2023[1] and January 30, 2023, respectively. Additionally, on January 30, 2023, CAUSE-PA filed Comments to the Petition, and PP&L Industrial Customer Alliance (PPLICA) filed a Letter in Lieu of Comments. Reply Comments were filed by PPL on February 21, 2023.

For the reasons set forth herein, we shall grant the Petition, in part, and deny it, in part, consistent with the discussion in this Opinion and Order.

I. Background and Procedural History

On June 18, 2020, the Commission adopted its *Phase IV Implementation Order*,[2] establishing the required incremental reductions in consumption and peak demand, and standards that each Phase IV plan must meet, and providing guidance on the procedures to be followed for submittal, review, and approval of all aspects of EE&C plans for the period from June 1, 2021, through May 31, 2026. The *Phase IV Implementation Order* directed electric distribution companies (EDCs) to file Phase IV EE&C plans by November 30, 2020.

On November 30, 2020, PPL timely filed a Petition requesting approval of its Act 129 Phase IV EE&C Plan (Phase IV Plan) at the above-captioned docket. PPL's Phase IV Plan included a broad portfolio of energy efficiency and energy education programs and initiatives designed to meet the goals established by Act 129 of 2008, 66 Pa. C.S. §§ 2806.1 and 2806.2, and the Commission's *Phase IV Implementation Order*, as well as other important policy goals and objectives.

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[1] The OSBA filed an Amended Answer and Verification to the Petition on January 26, 2023.

[2] *See Energy Efficiency and Conservation Program* Implementation Order, at Docket No. M-2020-3015228 (Order entered June 18, 2020) (*Phase IV Implementation Order*).

On February 26, 2021, the Parties submitted a Joint Petition for Approval of Partial Settlement (Partial Settlement).[3]

By Order Certifying the Record in this proceeding, dated March 2, 2021, Administrative Law Judges Mark A. Hoyer and Emily I. DeVoe provided a history of the investigation into PPL's Phase IV Plan; delineated the transcripts, statements, exhibits and briefs admitted into the record; and certified the record to the Commission for consideration and disposition, in accordance with the *Phase IV Implementation Order*.

On March 25, 2021, the Commission entered an Opinion and Order in this proceeding, which: (1) granted the Joint Petition for Partial Settlement, thereby approving the Partial Settlement, without modification; and (2) granted PPL's Petition, thereby approving the Phase IV Plan, as modified by the terms of the Partial Settlement. *See Petition of PPL Electric Utilities Corporation for Approval of its Act 129 Phase IV Energy Efficiency and Conservation Plan*, Docket No. M-2020-3020824 (Order entered March 25, 2021) (*March 2021 Order*).

On May 24, 2021, PPL filed its Revised Phase IV Plan in compliance with the *March 2021 Order*.

On December 30, 2022, PPL filed the instant Petition requesting permission to modify its Phase IV Plan. Specifically, the Petition requests approval of eleven modifications, consisting of both "minor" and "major" changes as defined in the Commission's expedited review process as set forth in *Energy Efficiency and Conservation Program*, Docket No. M-2008-2069887 (Order entered June 10, 2011) (*Minor Plan Change Order*). PPL requested that the Commission review and approve all

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[3] The Partial Settlement resolved all issues, except for PPLICA's proposal to reduce PPL's peak demand reduction compliance target, which was subsequently briefed by the Parties and resolved by the Commission's *March 2021 Order*.

of the proposed modifications pursuant to the "major" change process, which provides parties with thirty days to file comments, an answer, or both, and twenty days to file replies.

As noted above, the OSBA and CAUSE-PA both filed an Answer to the Petition on January 19, 2023[4] and January 30, 2023, respectively. On January 30, 2023, CAUSE-PA filed Comments to the Petition. Also on January 30, 2023, PPLICA filed a Letter in Lieu of Comments with the Commission requesting that "the Commission take all reasonable steps to review the proposed budget reallocation within the requisite timeframe to ensure that PPL reflects the adjusted sector budgets in the public filing of its June 1, 2023, ACR [Act 129 Compliance Rider] rate adjustment."

On January 30, 2023, the Office of Consumer Advocate (OCA) filed a letter with the Commission to advise that it would not be filing Comments to PPL's Petition.

PPL filed Reply Comments on February 21, 2023.

II. Petition

By its Petition, PPL is requesting approval of eleven modifications to its Phase IV Plan, consisting of both "minor" and "major" changes as defined in the Commission's *Minor Plan Change Order*. PPL states that, although the *Minor Plan Change Order* established a bifurcated process for approving "minor" and "major" EE&C Plan modifications, PPL is submitting a single Petition to ensure that the Commission and interested parties have a complete representation of all the proposed changes in a single black-line EE&C Plan. *See* Petition, Appendix A. PPL states that a

[4] The OSBA filed an Amended Answer and Verification to the Petition on January 26, 2023.

single black-line Plan better illustrates the collective impacts of all the proposed changes. Petition at 1-2. Because of the compressed time frame within which PPL must achieve its Act 129 Phase IV requirements, as well as the lead time needed to implement certain of the proposed changes, PPL requests that the Commission resolve all issues in this proceeding on the basis of Comments and Reply Comments, if possible. *Id*. at 2. PPL asserts that, to the extent no Party opposes a proposed change, or the Comments fail to raise any legitimate issues of law or fact with regard to the proposed modifications, such modifications should be approved by the Commission, and not referred to an Administrative Law Judge for hearings and a recommended decision, consistent with the Commission's actions in *Petition of PPL Electric Utilities Corporation for Approval of its Act 129 Phase II Energy Efficiency and Conservation Plan*, Docket No. M-2012-2334388 (Order entered March 6, 2014) (*PPL March 2014 Order*) and *Petition of West Penn Power Company for Amendment of the Orders Approving Energy Efficiency and Conservation Plans and Petition for Approval of its Amended Energy Efficiency and Conservation Plans,* Docket No. M-2009-2093218 (Interim Opinion and Order entered October 28, 2011) (*West Penn October 2011 Interim Order*). Petition at 2-3.[5] Lastly, PPL requests that the Commission review and approve the proposed changes to its Phase IV Plan quickly so that the Company can be in a position to continue to comply with its Phase IV Act 129 requirements. *Id*. at 3.

A. Overview of Proposed Changes

As noted above, PPL is requesting approval of eleven modifications to its Phase IV Plan. The proposed changes include, as PPL classifies them, "major" changes, such as "Increase the Estimated Savings and Estimated Peak Demand Reductions for the

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5 PPL notes that, in the *West Penn October 2011 Interim Order*, the Commission approved certain elements of the petition and referred the remaining elements to the Office of Administrative Law Judge for the issuance of a Recommended Decision, due to the limited time available for West Penn to implement its proposed changes. Petition at 2 n.6.

Small C&I [Commercial and Industrial] Sector in the Non-Residential Program." Petition at 5. The proposed changes also include, as PPL classifies them, "minor" changes, such as "Make Grammatical and Editorial Changes to Correct or Clarify Wording or Figures in the EE&C Plan." *Id.* In summary, PPL proposes the following changes to its Phase IV Plan:

1. Add, Change, and Remove Residential Program Measures with No Change to the Residential Sector's Overall Budget (*Minor Change*);

2. Increase the Estimated Savings and Decrease the Estimated Peak Demand Reductions for the Residential Program (*Major Change*);

3. Add, Change, and Remove Low-Income Program Measures with No Change to the Low-Income Sector's Overall Budget (*Minor Change*);

4. Increase the Estimated Savings and Adjust the Estimated Peak Demand Reductions for the Low-Income Program (*Major Change*);

5. Shift Approximately $18 Million from the Large C&I Sector Budget in the Non-Residential Program to the Small C&I Sector Budget in the Non-Residential Program (*Major Change*);

6. Add, Change, and Remove Non-Residential Program Measures with No Change to the Non-Residential Program's Overall Budget (*Major and Minor Changes*);

7. Increase the Estimated Savings and Estimated Peak Demand Reductions for the Small C&I Sector in the Non-Residential Program (*Major Change*);

8. Decrease the Estimated Savings and Estimated Peak Demand Reductions for the Large C&I Sector in the Non-Residential Program (*Major Change*);

9. Adjust the Major Accounts Common Cost Allocation Method (*Major Change*);

10. Update the Phase IV EE&C Plan to Reflect the Actual Carryover Savings from Phase III (*Major Change*); and

11. Make Grammatical and Editorial Changes to Correct or Clarify Wording for Figures in the EE&C Plan (*Minor Change*).

Petition at 4-5.

Appendix A of PPL's Petition indicates that the proposed changes to its Phase IV Plan will result in a reduction of its overall estimated Phase IV energy reductions from 1,602,794 to 1,376,015 MWh/yr., exclusive of any carryover savings from Phase III. Petition, Appendix A at 2, Table 2. However, as described below, PPL is proposing to increase the estimated Phase III carryover savings from 200,000 MWh/yr. to 306,275 MWh/yr. Petition at 17; Appendix A at 2, Table 2. As a result, PPL's total estimated Phase IV savings, including the Phase III carryover, will decrease from 1,802,794 to 1,682,290 MWh/yr., resulting in an estimated Phase IV over-compliance of 432,133 MWh/yr. (1,250,157 MWh/yr. – 1,682,290 MWh/yr.), or approximately 35%.[6] If PPL's proposed changes are approved, its overall total resource cost (TRC) test benefit-cost ratio for its Phase IV Plan will remain 1.15, which, as PPL explains, meets the Act 129 cost-effectiveness compliance requirements. *Id.*; Petition at 6 (citing 66 Pa. C.S § 2806.1(b)(1)(i)(I)).

PPL states that the proposed modifications to its Phase IV Plan are based on new information and experience gained since the Company filed its original Phase IV Plan in November 2020 and will not change the total estimated cost of its Phase IV Plan.

[6] *See* Petition, Appendix A at 2, Table 2; Appendix A at 3. The calculation of 35% over-compliance includes 306,275 MWh/yr. of carryover savings from Phase III (10% without carryover savings).

Id. at 4-5. PPL explained that its proposed modifications were identified through: (1) its experience in Phase IV of Act 129; (2) input from stakeholders, trade allies, conservation service providers (CSPs), and program participants; (3) Program Year (PY) 13 evaluation results; and (4) the Company's ongoing coordination activities with other Pennsylvania EDCs. *Id*. at 6.

B. Specific Modifications

The eleven modifications to its Phase IV Plan proposed by PPL in its Petition are summarized below.

1. Add, Change, and Remove Residential Program Measures with No Change to the Residential Sector's Overall Budget (Change No. 1 – Minor Change)

PPL proposes to adjust and remove several existing Residential Program measures contained in its previously approved Phase IV Plan, as well as to add measures to the Residential Program, based on feedback from its consultants, stakeholders, and the Residential Program's CSP. Petition at 7-8.

PPL's proposed adjustments to certain existing Residential Program measures' eligibility requirements, estimated participation, and incentive ranges are shown in bold text in the black-line Phase IV Plan attached to the Petition as Appendix A.

PPL proposes to remove several Efficient Lighting measures and a couple components of the Energy Efficient Homes measures from the Residential Program of its Phase IV Plan, so that the budgeted funds can be allocated to other new and existing measures. The removed measures are shown in strikethrough text in the new Appendix D of the Revised Phase IV Plan.

PPL proposes to add several measures to its existing Phase IV Plan, including compact refrigerators (Appliance Recycling), clothes dryers (Energy Efficient Homes), wall insulation (Energy Efficient Homes), floor and rim joist insulation (Energy Efficient Homes), duct insulation (Energy Efficient Homes), and cold climate ductless heat pumps (Energy Efficient Homes). All measures proposed to be added are shown in bold text in the black-line Phase IV Plan attached to the Petition as Appendix A.

PPL states that these changes are designed to bolster the Residential Program's cost-effectiveness, adjust existing measures to better reflect the Company's actual experience in Phase IV, remove existing measures that had no participation or were underperforming, and expand the variety of measures offered to residential customers, while not increasing the Residential Sector's budget. PPL indicates that with the proposed changes to its Residential Program, the Residential Program is projected to be more cost-effective, with the TRC test benefit-cost ratio increasing from 1.01 to 1.19. Petition at 7-8.

2. Increase the Estimated Savings and Decrease the Estimated Peak Demand Reductions for the Residential Program (Change No. 2 – Major Change)

In order to reflect PPL's aforementioned Residential Program measures that are being added, changed, or removed, as well as PPL's actual experience in Phase IV, PPL proposes changes to the estimated savings and peak demand reductions for the Residential Program contained in its previously approved Phase IV Plan. Specifically, PPL proposes to increase the Residential Program's total first-year savings from 163,896 MWh to 179,089 MWh, while the Residential Program's total first-year peak demand reductions would decrease from 36.96 MW to 33.86 MW. Petition at 8-9. As previously indicated, PPL explains that the proposed updated Residential Program measure offerings and the resulting impact on the estimated total first-year savings and peak demand reductions, including any corresponding changes to the estimated savings and peak demand reductions for individual program years, will not increase the Residential Sector's overall budget. Petition at 9.

3. Add, Change, and Remove Low-Income Program Measures with No Change to the Low-Income Sector's Overall Budget (Change No. 3 – Minor Change)

Similar to the proposed updates to its Residential Program, PPL proposes to adjust and remove several existing Low-Income Program measures contained in its previously approved Phase IV Plan, as well as to add measures to the Low-Income Program, based on feedback from its consultants, stakeholders, and the Low-Income Program's CSP. Petition at 9-10.

PPL's proposed adjustments to certain existing Low-Income Program measures' eligibility requirements, estimated participation, and incentive ranges are shown in bold text in the black-line Phase IV Plan attached to the Petition as Appendix A.

PPL proposes to remove several measures from the Low-Income Program of its Phase IV Plan,[7] so that the budgeted funds can be allocated to other new and

[7] PPL proposes the following measures be removed from its existing Low-Income Program: Water Kit MF REA (Remote Energy Assessment), Water Kit SF On-site, Water Kit MF On-site, Furnace Whistle On-site, Furnace Whistle REA, Recycle and Replace Refrigerator REA, Removal/Disposal of Extra Refrigeration Unit REA, Recycle and Replace Freezer REA, Smart Strips – Tier 2 REA, ES Dehumidifier REA, Battery Replaced in Existing Smoke Alarm REA, Smart Strips – Tier 2 On-site, Battery Replaced in Existing Smoke Alarm On-site, and Variable Speed Pool Pump.

existing measures. The removed measures are shown in strikethrough text in the new Appendix D of the Revised Phase IV Plan.

PPL proposes to add several measures to its existing Phase IV Plan, including water heater pipe insulation, thermostatic shower restriction valves, and room air conditioner retirement. All measures proposed to be added are shown in bold text in the black-line Phase IV Plan attached to the Petition as Appendix A.

PPL states that these changes are designed to adjust existing measures to better reflect the Company's actual experience in Phase IV, remove existing measures that had no participation, and expand the variety of measures offered to low-income customers, while not increasing the Low-Income Sector's budget. Petition at 10.

4. Increase the Estimated Savings and Adjust the Estimated Peak Demand Reductions for the Low-Income Program (Change No. 4 – Major Change)

In order to reflect: (1) PPL's aforementioned Low-Income Program measures that are being added, changed, or removed; (2) PPL's actual experience in Phase IV; and (3) a correction in how savings from water measures are calculated,[8] PPL proposes changes to the estimated savings and peak demand reductions for the Low-Income Program contained in its previously approved Phase IV Plan. Petition at 10-11.

Specifically, PPL proposes to increase the Low-Income Program's total first-year savings from 64,430 MWh to 67,093 MWh. And, while PPL proposes no change to the Low-Income Program's total first-year peak demand reductions of

[8] PPL states that, in its current Phase IV Plan, first year savings were used instead of lifetime savings when calculating the TRC test benefit-cost ratio for the Low-Income Program. Petition at 11.

9.82 MW, the projected peak demand reductions for individual program years would be adjusted. Petition at 10.

PPL explains that the proposed updated Low-Income Program measure offerings, the correction in how savings from water measures are calculated, and the resulting estimated total first-year savings and impact on the projected peak demand reductions for individual program years, will not increase the Low-Income Sector's overall budget, but will, however, result in the TRC test benefit-cost ratio for the Low-Income Program increasing from 0.48 to 0.99. Petition at 11.

5. Shift Approximately $18 Million from the Large C&I Sector Budget in the Non-Residential Program to the Small C&I Sector Budget in the Non-Residential Program (Change No. 5 – Major Change)

In its Petition, PPL is proposing to shift approximately $18 million from the Large C&I Sector's budget in the Non-Residential Program to the Small C&I Sector's budget in the Non-Residential Program. PPL asserts that this change is necessary because the Small C&I Sector's interest in energy efficiency is much greater than expected for Phase IV. Petition at 11. Based on the actual experience in Phase IV and PPL's projections, the proposed budget shift would leave sufficient funds for the Large C&I customers to participate in the Non-Residential Program; conversely, PPL asserts that without shifting the funds, the Small C&I Sector could exhaust its budget prior to the end of Phase IV. Petition at 12. Moreover, PPL explains that the proposed budget shift will help accommodate the Small C&I customers' participation in the new and changed Non-Residential Program measures proposed by PPL, discussed *infra*. *Id.*

6. Add, Change, and Remove Non-Residential Program Measures with No Change to the Non-Residential Program's Overall Budget (Change No. 6 – Major and Minor Changes)

PPL proposes to adjust and remove several existing Non-Residential Program measures contained in its previously approved Phase IV Plan, as well as to add measures to the Non-Residential Program, based on feedback from its consultants, stakeholders, and the Non-Residential Program's CSP. Petition at 13-14.

PPL's proposed adjustments to certain existing Non-Residential Program measures' eligibility requirements, estimated participation, and incentive ranges are shown in bold text in the black-line Phase IV Plan attached to the Petition as Appendix A.

Based on the expectation of no participation, PPL proposes to remove several measures from the Non-Residential Program of its Phase IV Plan, so that the budgeted funds can be allocated to other new and existing measures. The removed measures are shown in strikethrough text in the new Appendix D of the Revised Phase IV Plan.

PPL proposes to add several measures to its existing Phase IV Plan, including HVAC tune-up (Efficient Equipment), ENERGY STAR certified connected thermostats (Efficient Equipment), circulation fans (Efficient Equipment), customer lighting (Custom), and custom other (Custom). All measures proposed to be added are shown in bold text in the black-line Phase IV Plan attached to the Petition as Appendix A.

In order to establish a uniform preapproval waiver provision across both the Non-Residential Program's Efficient Equipment and Custom Components, ease administrative burdens, and better enable PPL to achieve its required savings targets within budget, PPL proposes changes to its Non-Residential Program's preapproval waiver provisions. Specifically, PPL proposes that it be allowed to waive the preapproval requirement upon 30 days' notice to customers, trade allies, and stakeholders for both the Efficient Equipment and Custom Components.[9] Petition at 14.

With the proposed changes, PPL states that the TRC test benefit-cost ratio is projected to increase from 1.04 to 1.09 for the Large C&I Sector and to decrease from 1.50 to 1.20 for the Small C&I Sector. *Id.*

7. Increase the Estimated Savings and Estimated Peak Demand Reductions for the Small C&I Sector in the Non-Residential Program (Change No. 7 – Major Change)

In order to reflect: (1) PPL's aforementioned Non-Residential Program measures that are being added, changed, or removed; (2) PPL's actual experience in Phase IV; and (3) the shift of approximately $18 million from the Large C&I budget to the Small C&I budget in the Non-Residential Program, PPL proposes changes to the estimated savings and peak demand reductions for the Small C&I Sector in the Non-Residential Program contained in its previously approved Phase IV Plan. Petition at 15.

Specifically, PPL proposes to increase the Small C&I Sector's total first-year savings from 574,299 MWh to 648,725 MWh, while the Small C&I Sector's total first-year peak demand reductions would increase from 93.37 MW to 135.23 MW. *Id*.

PPL explains that the proposed updated Non-Residential Program measure offerings, the resulting impact on the estimated total first-year savings and peak demand

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[9] Currently, while there is no waiver provision in the Custom Component, the Efficient Equipment Component specifies that PPL can waive the preapproval requirement upon 60 days' notice to customers.

reductions, including any corresponding changes to the estimated savings and peak demand reductions for individual program years, and the shift of approximately $18 million from the Large C&I budget to the Small C&I budget in the Non-Residential Program will result in a decrease to the TRC test benefit-cost ratio for the Small C&I Sector from 1.50 to 1.20 and, therefore, remain cost-effective. *Id.*; Petition, Appendix A at 13-14.

8. Decrease the Estimated Savings and Estimated Peak Demand Reductions for the Large C&I Sector in the Non-Residential Program (Change No. 8 – Major Change)

Similar to PPL's proposed adjustments to the estimated savings and estimated peak demand reductions for the Small C&I Sector in the Non-Residential Program, PPL is likewise proposing changes to the estimated savings and peak demand reductions for the Large C&I Sector in the Non-Residential Program contained in its previously approved Phase IV Plan. These changes are proposed in order to reflect: (1) PPL's aforementioned Non-Residential Program measures that are being added, changed, or removed; (2) PPL's actual experience in Phase IV; and (3) the shift of approximately $18 million from the Large C&I budget to the Small C&I budget in the Non-Residential Program. Petition at 15-16.

Specifically, PPL proposes to decrease the Large C&I Sector's total first-year savings from 800,239 MWh to 481,108 MWh, while the Large C&I Sector's total first-year peak demand reductions would decrease from 111.05 MW to 70.89 MW. *Id.*

PPL explains that the proposed updated Non-Residential Program measure offerings, the resulting impact on the estimated total first-year savings and peak demand reductions, including any corresponding changes to the estimated savings and peak demand reductions for individual program years, and the shift of approximately

$18 million from the Large C&I budget to the Small C&I budget in the Non-Residential Program will result in an increase to the TRC test benefit-cost ratio for the Large C&I Sector from 1.04 to 1.09 and, therefore, remain cost-effective. Petition at 16; Petition, Appendix A at 13-14.

9. Adjust the Major Accounts Common Cost Allocation Method (Change No. 9 – Major Change)

PPL is also proposing a change to how the "Major Accounts" common costs are allocated among the Small C&I and Large C&I Sectors. Specifically, instead of using the percentage of direct program costs (excluding residential), as previously approved in its Phase IV Plan, PPL is proposing to use the estimated percentage of Key Account Managers' (KAMs) time with the customer sectors (excluding residential), the same method that PPL utilized to allocate the "Major Accounts" common costs in Phase III. Petition at 16-17.

PPL posits that this proposed change should be approved since under the proposed shift of approximately $18 million from Large C&I to Small C&I within the Non-Residential Program, the percentage of direct program cost method would have resulted in a significant allocation of "Major Accounts" common costs to the Small C&I Sector, even though the Company's KAMs devote most of their time to working with the Large C&I Sector. Petition at 17.

10. Update the Phase IV EE&C Plan to Reflect the Actual Carryover Savings from Phase III (Change No. 10 – Major Change)

PPL is proposing to update the projected total carryover savings from Phase III of 200,000[10] first-year MWh to 306,275 first-year MWh, in order to reflect the actual carryover savings from Phase III. Petition at 17.

11. Make Grammatical and Editorial Changes to Correct or Clarify Wording for Figures in the EE&C Plan (Change No. 11 – Minor Change)

PPL is proposing a number of grammatical and editorial revisions to the text of its Phase IV Plan. These changes include: (1) clarifying the point-of-sale delivery channel in the Energy Efficient Homes Component of the Residential Program; and (2) clarifying that pool pumps (midstream) will not be offered under the Energy Efficient Homes Component of the Residential Program. Petition at 17-18.

III. Discussion

A. Legal Standards

We have previously held that a petition to amend a Commission-approved Act 129 EE&C Plan is a petition to amend a Commission Order, pursuant to 52 Pa. Code §§ 5.41 and 5.572. *Minor Plan Change Order* at 14. While such a petition may raise any matter designed to convince us that we should exercise our discretion to amend or rescind a prior order, at the same time "[p]arties . . ., cannot be permitted by a second motion to

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[10] The total projected carryover savings from Phase III, contained in the previously approved Phase IV Plan includes an estimated 20,000 first-year MWh of low-income carryover savings. In order to reflect the actual low-income carryover savings from Phase III, PPL proposes to update this amount to 31,089 first-year MWh of low-income carryover savings. Petition at 17.

review and reconsider, to raise the same questions which were specifically considered and decided against them." *Duick v. Pennsylvania Gas and Water Company*, 56 Pa. P.U.C. 553 (Order entered December 17, 1982) (quoting *Pennsylvania Railroad Co. v. Pennsylvania Public Service Commission*, 179 A. 850, 854 (Pa. Super. 1935)). Such petitions are likely to succeed only when they raise "new and novel arguments" not previously heard or considerations which appear to have been overlooked or not addressed by the Commission. *Duick* at 559.

B. Contested Changes

In this case, there is no question that PPL has satisfied the *Duick* standards. PPL's proposed modifications to its Phase IV Plan do not require the Commission to reconsider the same questions that were previously decided in this proceeding. Rather, PPL has proposed changes in its Phase IV Plan based on experience with its Phase IV Plan, as well as changes in circumstances since the Commission approved PPL's Phase IV Plan. The question before us is whether or not to approve the proposed changes.

We note that any issue that we do not specifically address has been duly considered and will be denied without further discussion. It is well settled that the Commission is not required to consider, expressly or at length, each contention or argument raised by the Parties. *Consolidated Rail Corporation v. Pa. PUC*, 625 A.2d 741, 744 (Pa. Cmwlth. 1993); *see also*, *generally*, *University of Pennsylvania v. Pa. PUC*, 485 A.2d 1217 (Pa. Cmwlth. 1984).

1. Add, Change, and Remove Low-Income Program Measures with No Change to the Low-Income Sector's Overall Budget (Change No. 3 – Minor Change)

a. Positions of the Parties

CAUSE-PA indicates that although it "is not principally opposed to PPL's proposed programmatic adjustments," it avers that PPL needs to clarify and address certain aspects of its proposal. CAUSE-PA Answer at 3; CAUSE-PA Comments at 4-7. CAUSE-PA contends that the PPL must "further clarify how its proposed Low-Income program changes will impact eligibility requirements, estimated participation, and incentive ranges available to low income customers." CAUSE-PA Comments at 4.

CAUSE-PA requests information about how the proposed changes would affect "the delivery of comprehensive services to low-income participants capable of generating meaningful energy and bill savings." CAUSE-PA Comments at 4. According to CAUSE-PA, such "[a]dditional explanation is necessary to ensure that the proposed changes do not reduce the availability of comprehensive and direct install measures for low-income households" or "impact" the Partial Settlement provisions concerning comprehensive and direct install measures. CAUSE-PA Comments 4,7.

Also, "to the extent that PPL proposes to remove any direct install measures from the Low-Income Program due to lack of participation," CAUSE-PA states that PPL "should be required to first evaluate whether participation could be increased by removing barriers to participation." CAUSE-PA Comments at 7.

Lastly, concerning "PPL's proposal to add air conditioner retirement to its Low-Income Program," CAUSE-PA maintains that "the Company should be required to both retire ***and replace*** inefficient air conditioners." CAUSE-PA Comments at 5 (emphasis in original).

In response, PPL clarifies that "its proposed changes will not adversely affect low-income customers' ability to receive comprehensive and direct install measures, nor will they affect any of the [Partial Settlement] provisions governing such measures." PPL Reply Comments at 6. PPL explains that, not only will its Petition not reduce or affect the $2 million funding allocated for low-income comprehensive energy efficiency measures, but PPL indicates that it will hit that level of spending on low-income comprehensive measures by PY 17 (June 1, 2025 – May 31, 2026).[11] *Id.* PPL adds that it will also continue to work with its Low-Income Usage Reduction Program (LIURP), where appropriate, to maximize opportunities for customers to receive the range of energy efficiency services and treatments needed for their home. *Id*.

Regarding PPL's proposal to remove some measures from the Low-Income Program, PPL explains that these measures were removed due to external conditions outside of PPL's control, including product cost increases due to inflation, other reasons that reduced the measures' cost-effectiveness, and code changes that were put in place after the start of Phase IV. PPL Reply Comments at 7. PPL expounds that variable speed pool pumps were removed due to code changes that made the measure obsolete. Furnace whistles were removed due to negligible savings impacts and likely poor customer experience. PPL explains that for the three other removed measures, there are alternatives in the Revised Phase IV Plan, such as: (1) an energy kit variation; (2) an advanced power strip variation; and (3) appliance replacement and/or retirement for remote audits. *Id*.

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[11] Under the Partial Settlement, PPL modified its Low-Income Program's Low-Income Assessment component so that up to $2.0 million is dedicated to: (1) space heating; (2) building shell measures; (3) water heater maintenance, repair, or replacement; (4) appliance replacement/recycling. Partial Settlement at ¶ 34.

Regarding CAUSE-PA's proposal to add air conditioning (AC) replacement as a measure, PPL contends that ENERGY STAR Room AC replacement is already an existing measure,[12] and the forecasted replacements in the Revised Phase IV Plan outpace retirements of old units for the remainder of Phase IV.[13] Further, PPL states that it agrees with CAUSE-PA that low-income customers generally should not have a room AC unit removed without an efficient replacement, and therefore, PPL explains that it only retires an inefficient room AC unit without replacement if the customers confirm that they do not need the AC unit replaced. PPL Reply Comments at 7.

b. Disposition

The Low-Income measures that PPL proposes be removed, shown in strikethrough text in the new Appendix D of the Revised Phase IV Plan, were included in the list of all eligible Low-Income measures of PPL's previously approved Phase IV Plan, but were, however, as PPL indicated, not offered at the launch of Phase IV, and therefore had no participation projections associated with them. *See* Petition, Appendix A at 214-217. Nonetheless, PPL explains that the Low-Income measures it is proposing be removed is due to external conditions outside of PPL's control and likely poor customer experience. For other measures that have been removed from Table 33, PPL explains that there are alternatives in the Revised Phase IV Plan that customers can now take advantage of.

The Low-Income Program measures that PPL is proposing be "added" consist of the remaining Low-Income measures that were not offered at the launch of

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[12] *See* Table 33 on pages 52-56 of PPL's current Phase IV Plan. Although the current version of the Phase IV Plan does not set forth the measure's incentive amount, full cost, and estimated useful life, the proposed Revised Phase IV Plan provides such information.

[13] *See* Table 35 of the Revised Phase IV Plan.

Phase IV but were included in Table 33 of PPL's previously approved Phase IV Plan. Phase IV Plan at 52-55, Table 33; Petition, Appendix A at 82-85.

No Party specifically opposed the introduction of those measures previously not offered at the launch of Phase IV, nor the removal of certain Low-Income Program measures from Table 33 of PPL's previously approved Phase IV Plan.

Further, we accept PPL's clarification regarding CAUSE-PA's concerns regarding adding AC replacement as a measure. As PPL points out, ENERGY STAR Room AC replacement is already an existing measure. Further, PPL explains that it only retires an inefficient Room AC unit without replacement if the customer confirms that they do not need the AC unit replace. *See* PPL Reply Comments at 7.

Based on the information provided by PPL, we find that by incorporating these changes to the Low-Income Program, without any increase to the Low-Income Program's overall budget, PPL will be able to better reflect its actual experience in Phase IV and offer a more diverse set of measures to customers in the Low-Income Sector, while achieving its required savings targets within budget. We are of the opinion that the proposed changes will not adversely affect low-income customers' ability to receive comprehensive and direct install measures, nor will they affect any of the Partial Settlement's provisions governing such measures. Accordingly, we find no reason to reject PPL's proposed changes to the Low-Income Program measures.

2. Shift Approximately $18 Million from the Large C&I Sector Budget in the Non-Residential Program to the Small C&I Sector Budget in the Non-Residential Program (Change No. 5 – Major Change)

a. Positions of the Parties

The OSBA and CAUSE-PA raise concerns about PPL's request for additional investment in the Small C&I Sector. OSBA Answer at 2-3; CAUSE-PA Comments at 8-10. Although the OSBA states that "the modified EE&C Plan looks potentially reasonable," the OSBA contends that more information is needed "regarding PPL's basis for expecting significantly higher participation from the Small C&I sector compared to historic participation levels." OSBA Answer at 2. Arguing that more information on the performance of the programming serving the Small C&I sector would be helpful in evaluating the request for additional investment, the OSBA contends that "PPL should provide additional information on the actual performance and participation levels compared to plan projections by non-residential program component, by stratum (Large vs. Small C&I), by year." OSBA Answer at 4. "If values indicate underperformance for the Small C&I sector," the OSBA avers that "PPL should provide clear programmatic steps in the Plan for improving performance, given the increase in investment level sought." *Id*. Therefore, as this issue involves significant questions of fact, the OSBA supports referral of the Petition to the Office of Administrative Law Judge (OALJ). OSBA Answer at 3-4.

In response to the OSBA's concerns, PPL explains that all performance data indicates that the Non-Residential Program is seeing a much higher participation level from the Small C&I Sector in Phase IV, exceeding those previously experienced in Phase III and those contemplated in the original Phase IV Plan, specifically in the Custom component. PPL Reply Comments at 10-12. PPL provides the following tables to illustrate this significant shift in Non-Residential Program participation:

Table 1.

Sector	Program Component	Phase IV (PY13 VTD and PY14 RTD) Current Actuals + Pipeline (MW/yr)	Original Plan (MW/yr)	Revised Plan (MW/yr)	Phase III Totals (MW/yr)*
SCI	Efficient Equipment	20.44	62.51	60.30	48.33
	Custom	38.35	22.9	63.57	5.00
LCI	Efficient Equipment	9.80	38.32	37.40	22.06
	Custom	35.67	68.3	30.64	15.41

** GNE accounted for an additional 13.85 MW/yr for Efficient Equipment and 19.73 MW/yr for Custom in Phase III*

Table 2.

Sector	Program Component	Phase IV (PY13 VTD and PY14 RTD) Current Actuals + Pipeline (MWh)	Original Plan (MWh/yr)	Revised Plan (MWh/yr)	Phase III Totals (MWh/yr)*
SCI	Efficient Equipment	81,288	409,239	387,268	350,079
	Custom	117,088	161,077	257,545	42,276
LCI	Efficient Equipment	78,612	256,122	247,810	162,130
	Custom	188,500	544,117	233,298	133,388

** GNE accounted for an additional 89,000 MWh/yr for Efficient Equipment and 134,000 MWh/yr for Custom in Phase III*

PPL Reply Comments at 10-11. As seen in Table 1 above, PPL explains that Phase III Small C&I participation in the Custom component was very low, with only 5MW/yr. achieved for the entirety of Phase III. Therefore, PPL states that it originally projected only 23 MW/yr. for Small C&I in the Custom component for all of Phase IV; however, less than two years into Phase IV, PPL's actual participation plus the current pipeline of Small C&I Custom projects far exceed that forecast, totaling approximately 38 MW/yr. PPL Reply Comments at 10.

PPL attributes this shift in participation to market factors, such as a reduction in Combined Heat and Power (CHP) projects due to higher costs, and federal tax credits and incentives that spur Custom projects, such as solar. PPL provides that to date, Small C&I customers have submitted twenty-six (26) applications to PPL with an additional 173 applications in the pipeline. By contrast, Large C&I customers have submitted one application with eighteen (18) applications in the pipeline. PPL Reply Comments at 11.

Lastly, in response to the OSBA's concerns, PPL contends that, without the proposed budget shift, it will have to drastically lower incentives paid to participating Small C&I customers or else the Small C&I budget will likely be exhausted before the end of Phase IV. PPL illustrates the possibility of these adverse outcomes by providing the following table, which shows that PPL's actual participation and confirmed pipeline of projects indicate that 76% of available Small C&I funding in the original Phase IV Plan has been accounted for, while only 40% of the Large C&I funding has been. PPL Reply Comments at 11-12.

Table 3.

Sector	Spend Type	Current Actuals + Pipeline ($$$)	Original Plan ($$$)	Original Plan vs. Actual/Pipeline	Revised Plan ($$$)	Revised Plan vs. Actual/Pipeline
SCI	Incentives	$41,228	$52,422	79%	$63,501	65%
	Non-Incentives	$17,292	$24,416	71%	$31,337	55%
	Total	**$58,519**	**$76,838**	**76%**	**$94,838**	**62%**
LCI	Incentives	$19,223	$57,690	33%	$46,611	41%
	Non-Incentives	$15,561	$28,216	55%	$21,295	73%
	Total	**$34,784**	**$85,906**	**40%**	**$67,906**	**51%**

PPL Reply Comments at 12.

CAUSE-PA states that it "does not oppose PPL's proposal to shift $18 million from the Large C&I budget to the Small C&I budget." CAUSE-PA Comments at 8. However, CAUSE-PA "respectfully recommends that the Commission require PPL to direct at least 20% of the reallocated funds to increase the energy efficiency programming available to serve affordable multifamily buildings." *Id*. Noting that PPL offers a range of free direct install energy efficiency measures in the tenant units of low-income residents living in master-metered multifamily buildings in the Small C&I rate class, CAUSE-PA contends that, "[d]espite proposing to shift approximately $18 million to the Small C&I budget, PPL has not proposed to increase the budget for nor the savings derived from master metered multifamily buildings." CAUSE-PA at 9-10.

In response to CAUSE-PA's concerns, PPL notes that the Petition would not interfere with or reduce the funding available for PPL's programs that serve master-metered low-income multifamily buildings in the Small C&I Sector and it will continue to work with all stakeholders and respond to any leads on potential participants.[14] PPL Reply Comments at 14. As such, PPL requests that the Commission deny CAUSE-PA's proposal and approve its proposed budget shift without modification, contending that: (1) CAUSE-PA presents no data, such as that which would show sufficient customer interest or potential participation, to support its recommendation, which, in essence, would increase the limit on spending for free direct install energy efficiency measures in master-metered low-income tenant units (provided for in the Partial Settlement) by 180%, from $2 million to $5.6 million ($2 million + $ 3.6 million); and (2) CAUSE-PA's proposal would unduly hamper PPL's ability to meet the Small C&I Sector's demand for EE&C measures. PPL argues that, in order to meet the increased demand prompting its proposal to shift $18 million from the Large C&I budget to the Small C&I budget, PPL must have the flexibility to respond to market conditions in the future, regardless of whether the Small C&I participants are master-metered multifamily properties. Otherwise, PPL could be at risk of not achieving its required savings targets. PPL Reply Comments at 13-14.

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[14] Under the Partial Settlement, there is a $2 million limit on cumulative spending in direct costs for low-income residents in master-metered multifamily buildings under the Low-Income Program. PPL Reply Comments at 13 (citing Partial Settlement at ¶ 31).

b. Disposition

We understand that shifting a portion of the Large C&I budget to the Small C&I budget may foster PPL's ability to meet the Small C&I Sector's demand for EE&C measures. However, we cannot disregard two important points that give us pause. First, PPL has not demonstrated that its Large C&I Sector is under-performing so as to justify the reallocation of its funding to the Small C&I budget. Second, PPL has not demonstrated that its requested modification, which will most likely have a negative effect on the Large C&I Sector, will not disturb the reasonable mix of programs in PPL's Phase IV Plan as was required by Act 129. Moreover, we find persuasive CAUSE-PA's contention that, despite PPL's proposal to shift approximately $18 million to the Small C&I budget, the $2 million limit on spending for free direct install energy efficiency measures in master-metered low-income tenant units remains unchanged.

Based on our review of the Petition, as well as the Answers, Comments, and Replies thereto, we are concerned that the proposed transfer of funds from the Large C&I budget to the Small C&I budget, may not result in an EE&C Plan that continues to satisfy the requirements of Act 129 and the prior related Orders of the Commission. As the OSBA and CAUSE-PA have raised questions of fact and law regarding PPL's proposed Phase IV Plan budget, we find that further development of the evidentiary record is necessary to resolve this issue. Therefore, we will refer this issue to the OALJ for further consideration.[15] As the proceedings before the OALJ are to be expedited, we

[15] Change No. 7 (Increase the Estimated Savings and Estimated Peak Demand Reductions for the Small C&I Sector in the Non-Residential Program) and Change No. 8 (Decrease the Estimated Savings and Estimated Peak Demand Reductions for the Large C&I Sector in the Non-Residential Program) were proposed by PPL, in part, to reflect the shift of approximately $18 million from the Large C&I budget to the Small C&I budget in the Non-Residential Program. Therefore, Change Nos. 7 and 8 are, by association, also referred to the OALJ for further consideration.

caution the Parties against re-litigating issues that were previously decided by the Commission.

3. Add, Change, and Remove Non-Residential Program Measures with No Change to the Non-Residential Program's Overall Budget (Change No. 6 – Major and Minor Changes)

a. Positions of the Parties

The OSBA contends that "PPL's evaluation of its EE&C Plan does not provide enough detailed information on free ridership in the Small C&I sector to confirm that the changed incentive levels are reasonable." OSBA Answer at 2. The OSBA notes that although PPL's annual reports "provide free ridership value by stratum (Large vs. Small C&I)", the OSBA avers that "this is only for the custom component and does not cover the three other relevant components applicable to the Small C&I sector." OSBA Answer at 2-3. Accordingly, the OSBA requests "additional information on historical free ridership by non-residential program component, by stratum (Large vs. Small C&I), by year." OSBA Answer at 3.

PPL responds by first clarifying that while PPL has proposed to add, change and remove certain Non-Residential Program measures, it is not proposing to change any existing Non-Residential Program measures' incentive ranges. PPL Reply Comments at 15. Therefore, because the OSBA's request for information on free ridership is premised on "confirm[ing] that the changed incentive levels are reasonable," PPL contends that this request is moot. *Id*.

Further, PPL clarifies that its annual reports detail the impact of free ridership through the net-to-gross (NTG) calculations, and do not, as alleged by the OSBA, "provide free ridership value by stratum (Large vs. Small C&I)" for the Custom component. PPL explains that the strata are divided based on the type of measure installed and/or expected energy savings, such as: (1) "Large," meaning [p]rojects with an expected energy savings greater than 2 million kWh/yr;" (2) "Combined heat and power (CHP)," consisting of "[a]ll CHP projects" participating in the Custom component; and (3) "Small," meaning the remaining projects that are not "Large" or CHP. PPL Reply Comments at 15 (citing PY 13 Annual Report, Appendix E at 2-3 (dated November 30, 2022)).

Additionally, PPL states that it cannot produce "additional information on historical free ridership by non-residential program component, by stratum (Large vs. Small), by year," as requested by the OSBA. PPL explains that under its Evaluation Plan, which was developed by PPL's Evaluation, Measurement, and Verification (EM&V) CSP and was reviewed and approved by the Commission's Statewide Evaluator (SWE), the EM&V CSP conducts net savings evaluations to determine the net verified savings for each program. Although the NTG savings determination incorporates the effects of free ridership and spillover on the program, the EM&V CSP does not sample or analyze data further broken down by customer sector. Therefore, PPL contends that the information requested by the OSBA is not currently available. PPL Reply Comments at 15-16.

b. Disposition

The Non-Residential measures that PPL proposes be removed, shown in strikethrough text in the new Appendix D of the Revised Phase IV Plan, were included in the list of all eligible Non-Residential measures of PPL's previously approved Phase IV Plan, but were, however, as PPL indicated, not offered at the launch of Phase IV, and therefore had no participation projections associated with them. *See* Petition, Appendix A at 222-245.

The majority of Non-Residential measures that PPL is proposing be "added" consist of the remaining Non-Residential measures that were not offered at the launch of Phase IV but were included in Tables 41 and 42 of PPL's previously approved Phase IV Plan. Additionally, as shown on pages 105 through 125 of Appendix A to PPL's Petition, PPL is proposing to add three measures available to Large C&I customers: (1) HVAC Tune Up; (2) ENERGY STAR Certified Connected Thermostats; and (3) Circulation Fans – Midstream,[16] and five measures available to Small C&I customers: (1) HVAC Tune Up; (2) HVAC Tune Up Direct Discount; (3) ENERGY STAR Certified Connected Thermostats; (4) ENERGY STAR Certified Connected Thermostats Direct Discount; and (5) Circulation Fans – Midstream,[17] not previously listed on Tables 41 and 42.

No Party specifically opposed: (1) the addition of the eight new measures; (2) the introduction of those measures previously not offered at the launch of Phase IV; (3) the removal of certain measures from Tables 41 and 42 of PPL's previously approved Phase IV Plan; nor (4) PPL's proposed changes to its Non-Residential Program's preapproval waiver provisions. Further, as PPL indicated in its Replies, it is not proposing to change any existing Non-Residential Program measures' incentive ranges. *See* PPL Reply Comments at 15. Thus, we agree with PPL that by incorporating these changes to the Non-Residential Program, without any increase to the Non-Residential Program's overall budget, PPL will be able to better reflect its actual experience in Phase IV and offer a more diverse set of measures to customers in the Large and Small C&I Sectors, while achieving its required savings targets within budget. Accordingly, we find no reason to reject PPL's proposed changes regarding this issue.

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[16] Petition, Appendix A at 113-114.

[17] Petition, Appendix A at 105-125.

4. Update the Phase IV EE&C Plan to Reflect the Actual Carryover Savings from Phase III (Change No. 10 – Major Change)

a. Positions of the Parties

CAUSE-PA recognizes that PPL's "proposed adjustment to account for actual Phase III carryover savings does not appear to reduce the overall level of low-income savings achieved through PPL's Phase IV EE&C Plan." CAUSE-PA Comments at 5-6. However, CAUSE-PA maintains that "the Commission should closely monitor the Company's implementation of any approved changes to ensure the changes do not reduce the delivery of comprehensive and direct install measures for low income households." CAUSE-PA Comments at 5.

PPL notes that CAUSE-PA correctly points out that the Revised Phase IV Plan, without consideration for the updated low-income carryover savings, would increase the overall forecasted energy savings for the Low-Income Program. As PPL is committed to delivering direct install and comprehensive measures to low-income customers under its Phase IV Plan, PPL explains that the projected increase in savings was achieved without reducing the number of anticipated direct install or comprehensive measures. PPL Reply Comments at 18.

b. Disposition

As previously explained, PPL is proposing to adjust the estimated Phase III carryover savings included in its Phase IV Plan to agree with the verified Phase III savings carryover. This adjustment will result in a change from the previously estimated Phase III carryover savings of 200,000 first-year MWh to the verified Phase III carryover savings of 306,275 first-year MWh. *See* Petition at 17.

The total projected carryover savings from Phase III, contained in the previously approved Phase IV Plan includes an estimated 20,000 first-year MWh of low-income carryover savings. In order to reflect the actual low-income carryover savings from Phase III, PPL proposes to update this amount to 31,089 first-year MWh of low-income carryover savings. Low-income carryover savings are only applied to the Phase IV low-income savings compliance targets if the savings were attained in Phase III and if they were in excess of the Phase III low-income savings compliance targets. We are of the opinion that PPL has recognized that it should likewise continue the implementation of low-income programs so long as funds are available, even if the savings compliance targets have been achieved. As such, we find that the proposed changes will not adversely affect low-income customers' ability to receive comprehensive and direct install measures. Accordingly, we find no reason to reject PPL's proposal to update its Phase IV Plan to reflect the actual carryover savings from Phase III.

C. Uncontested Changes

Upon our review of the remaining uncontested changes proposed by PPL in this proceeding, we have determined these changes to be reasonable, and that no further investigation into the changes is necessary at this time. Accordingly, we will approve the following remaining uncontested changes to PPL's Phase IV Plan, as proposed by the Petitioner:

1. Add, Change, and Remove Residential Program Measures with No Change to the Residential Sector's Overall Budget (Change No. 1);

2. Increase the Estimated Savings and Decrease the Estimated Peak Demand Reductions for the Residential Program (Change No. 2);

3. Increase the Estimated Savings and Adjust the Estimated Peak Demand Reductions for the Low-Income Program (Change No. 4);

4. Adjust the Major Accounts Common Cost Allocation Method (Change No. 9);

5. Make Grammatical and Editorial Changes to Correct or Clarify Wording for Figures in the EE&C Plan (Change No. 11).

IV. Conclusion

For the reasons discussed herein, we will: (1) grant, in part, and deny, in part, PPL's Petition; (2) grant, in part, PPL's proposed modifications to its Phase IV Plan; and (3) refer all other portions of the proposed Revised Phase IV Plan not approved by this Opinion and Order to the Office of the Administrative Law Judge for the scheduling of such proceedings as may be necessary on an expedited basis and the issuance of a Recommended Decision within ninety (90) days of the entry date of this Opinion and Order; **THEREFORE,**

IT IS ORDERED:

1. That the Petition of PPL Electric Utilities Corporation for Approval of Changes to its Phase IV Act 129 Energy Efficiency and Conservation Plan is granted, in part, and denied, in part, consistent with this Opinion and Order.

2. That PPL Electric Utilities Corporation's proposed Change Nos. 1 through 4, 6, and 9 through 11, as set forth in the Petition of PPL Electric Utilities Corporation for Approval of Changes to its Phase IV Act 129 Energy Efficiency and Conservation Plan, which was filed on December 30, 2022, are approved, consistent with the discussion in this Opinion and Order.

3. That the following proposed changes, as set forth in PPL Electric Utilities Corporations' Petition of PPL Electric Utilities Corporation for Approval of Changes to its Phase IV Act 129 Energy Efficiency and Conservation Plan, are referred to the Office of Administrative Law Judge for the scheduling of such proceedings as may be necessary and the issuance of a Recommended Decision within ninety (90) days of the entry date of this Opinion and Order:

a) Change No. 5 – Shift Approximately $18 million from the Large C&I Sector Budget in the Non-Residential Program to the Small C&I Sector Budget in the Non-Residential Program (*Major Change*).

b) Change No. 7 – Increase the Estimated Savings and Estimated Peak Demand Reductions for the Small C&I Sector in the Non-Residential Program (*Major Change*).

c) Change No. 8 – Decrease the Estimated Savings and Estimated Peak Demand Reductions for the Large C&I Sector in the Non-Residential Program (*Major Change*).

4. That PPL Electric Utilities Corporation is permitted to implement those portions of its Revised Act 129 Phase IV Energy Efficiency and Conservation Plan expressly approved consistent with this Opinion and Order.

5. That a copy of this Opinion and Order be served on all of the parties of record.

BY THE COMMISSION,

Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: April 20, 2023

ORDER ENTERED: April 27, 2023