



Kirkpatrick & Lockhart Nicholson Graham LLP

17 North Second Street, 18th Floor
Harrisburg, PA 17101-1507
717.231.4500
Fax 717.231.4501
www.klmg.com

September 28, 2005

Daniel P. Delaney

717.231.4516
Fax: 717.231.4501
ddelaney@klmg.com

Via Hand Delivery

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Bldg., 2nd Floor
400 North Street
Harrisburg, PA 17120

Re: Implementation of the Alternative Energy Portfolio Standards Act of 2004
Docket No. M-00051865

Dear Secretary McNulty:

Enclosed for filing please find an original and fifteen (15) copies of the Comments of United States Steel Corporation to the Public Utility Commission's Implementation Order II in the above captioned matter.

Copies of these Comments have also been provided to the Commission Staff for posting on the Commission's web site.

Very truly yours,

Daniel P. Delaney

DPD/cem
Enclosures

cc: Carrie Beale (electronic copy)
Calvin Birge (electronic copy)
Shane Rooney (electronic copy)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Implementation of the Alternative	:	
Energy Portfolio Standards Act of	:	
2004: Standards for the	:	Docket No. M-00051865
Participation of Demand Side	:	
Management Resources.	:	

**COMMENTS OF UNITED STATES STEEL CORPORATION
TO IMPLEMENTATION ORDER II.**

United States Steel Corporation ("US Steel") files these comments to the Public Utility Commission's ("Commission's") Implementation Order II for implementation of Pennsylvania's Alternative Energy Portfolio Standards Act ("Portfolio Act"), 73 P.S. §§ 1648.1-1648.8. US Steel has participated as a member of the Alternative Energy Portfolio Standards Working Group ("AESWG") and has previously filed comments in response to the Commission Staff's proposals. As explained in its initial comments filed as a member of the AEPSWG, US Steel's Mon Valley Works is one of the largest consumers of energy in Pennsylvania and model energy conservation and recycling initiatives are currently employed at that site. US Steel incorporates those prior comments herein by reference. US Steel provides the following brief comments to the Commission's Implementation Order II:

I. Force Majeure Procedures.

Page 11 of the Implementation Order provides a brief description of the Portfolio Act's Force Majeure provisions. Section 2 of the Portfolio Act, 73, P.S. § 1648.2, provides that the Commission, upon its own initiative or upon the request of an electric

distribution company (“EDC”) or electric generation supplier (“EGS”), can find that Force Majeure exists that would allow modification of the Portfolio Act’s compliance obligation within a particular reporting year. Compliance obligations may be modified by the Commission if alternative energy resources are not reasonably available in the market place in sufficient quantities for EDCs and EGSs to meet their obligations. The Commission must make such determinations within 60 days of a request by an EDC or an EGS. The Commission is authorized to recommend to the General Assembly that the compliance obligations be eliminated under appropriate circumstances. US Steel believes that the Commission should identify procedures for a Force Majeure determination to be requested and implemented which will provide adequate notice and opportunity for interested parties to respond to such requests prior to Commission action.

The Commission should adopt procedures for its determination of a Force Majeure request which protects the due process rights of interested parties. Any request for a Force Majeure determination, whether upon the Commission’s own initiative or upon the request of an EDC or EGS, should be published for comment in the Pennsylvania Bulletin. If the force majeure request is made by an EDC or EGS, that party should be required to serve a copy of the request upon all parties with whom the EDC or EGS has agreements for the purchase of alternative energy credits. Interested parties should be permitted a reasonable opportunity to file a response to the Force Majeure request. In determining whether Force Majeure is appropriate, the Commission should review these comments and address them in its order on the request. The filing of comments by all parties will permit the Commission to act with the

benefit of the information and positions contained in those comments. Adoption of this procedure should not be unduly burdensome on the EDCs or EGS or the Commission in determining whether a Force Majeure is appropriate under the circumstances.

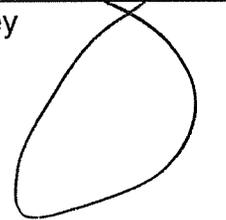
Conclusion

In drafting any regulations or rules on the issues addressed in the Implementation Order II, US Steel respectfully requests the Commission to consider and include the comments contained in this document. US Steel appreciates the opportunity to have provided these comments and also to have participated in the AEPSWG.

Respectfully submitted,



Daniel P. Delaney



Kirkpatrick & Lockhart Nicholson Graham LLP
17 North Second Street, 18th Floor
Harrisburg, PA 17101-1507
(717) 231-4500
(717) 231-4501 (Fax)
ddelaney@klngr.com

Counsel for United States
Steel Corporation

Dated: September 28, 2005