

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

Act 129 Energy Efficiency Program
- Phase 2

Public Meeting: August 2, 2012
2289411-LAW
Docket Nos. M-2012-2289411; M-2012-
2069887

DISSENTING STATEMENT OF COMMISSIONERS GARDNER and CAWLEY

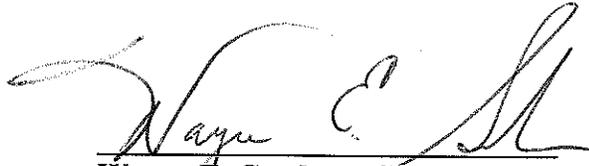
Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the Order which establishes the energy efficiency (EE&C) reductions in consumption that the Commonwealth's electric distribution companies (EDC) must attain during the second phase of the EE&C Program of Act 129 beginning on June 1, 2013. 66 Pa. C.S. §§ 2806.1 and 2806.2.

Act 129 directed the Commission to design an EE&C Program with procedures that would enable the EDCs to exceed the required 1% and 3% reductions in consumption by May 31, 2011 and May 31, 2013, and the required 4.5% reduction in peak demand usage by May 31, 2013. 66 Pa. C.S. § 2806.1(a)(4),(6). Likewise, 66 Pa. C.S. § 2806.1(b)(A-B) and (D) directed the EDCs to meet or exceed those consumption and demand reductions.

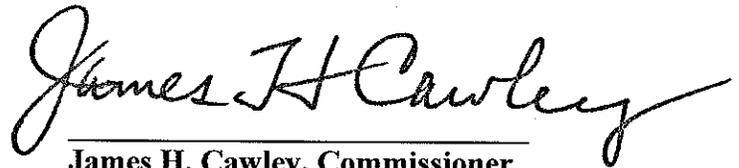
It appears that not only will our Act 129 EDCs meet their consumption reduction targets, some EDCs may exceed those targets. That is commendable. Every extra kWh of reduction is money which will remain in Pennsylvania's electric ratepayers' pockets. However, the EDCs that are likely to exceed their targets request that the Commission approve a process whereby the excess reductions achieved in Phase 1 of the Program can be banked and used to satisfy the Phase 2 targets that have been established by this Order. We do not believe that approval of this request is in the public interest. Allowing accrued excess reductions from Phase 1 to be used in Phase 2 compounds an already complicated process of performing cost-benefit analyses of the individual plans and of evaluating compliance.

For this reason, we respectfully dissent from the majority on the determination to allow the EDCs to use accrued excess consumption reductions from Phase 1 in the next phase of EE&C plans.

August 2, 2012



Wayne E. Gardner, Commissioner



James H. Cawley, Commissioner