

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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October 2, 2017

Rosemary Chiavetta, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg.
400 North Street
Harrisburg, PA 17120

Re: Petition of UGI Utilities, Inc. – Electric
Division for Approval of Phase II of its
Energy Efficiency and Conservation Plan
Docket No. M-2015-2477174

Dear Secretary Chiavetta:

Attached for electronic filing are the Comments of the Office of Consumer Advocate in the above-referenced proceeding.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

/s/ Aron J. Beatty
Aron J. Beatty
Senior Assistant Consumer Advocate
PA Attorney I.D. # 86625
E-Mail: ABeatty@paoca.org

Attachment

cc: Honorable David A. Salapa
Certificate of Service

CERTIFICATE OF SERVICE

Petition of UGI Utilities Inc. – Electric :
Division for Approval of Phase II of its : Docket No. M-2015-2477174
Energy Efficiency and Conservation Plan :

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Comments in this proceeding in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 2nd day of October 2017

SERVICE BY E-MAIL & INTER-OFFICE MAIL

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participants per month during the initial six-month period, it would eliminate the audit fee for the remainder of the program year. At this time, the OCA does not oppose the Company's request to waive the \$50 audit fee. The OCA submits, however, that the program may not be cost-effective as designed and further modifications should be considered as the program proceeds.

The OCA submits that, if customers view the \$50 audit fee as a barrier to participate in the program, it is unlikely that participants will follow through with the audit recommendations regarding more costly measures. The OCA notes that the structure of UGI's program is unlike many around the country. In many programs, whole-home energy audit programs provide rebates for the audit's recommended measures, such as attic insulation and duct sealing. Given the limited size of the Company's EE&C Plan, UGI's residential portfolio does not offer incentives for these types of measures. This barrier prevents the program from being able to recognize the energy savings resulting from the audit recommendations. As a result, UGI's program costs are significantly high, but the energy savings remain low as it is solely dependent upon direct install measures. In an effort to lower costs, UGI could consider offering a walk-through audit. A walk-through assessment is a one-hour walk-through with an audit professional who installs the direct install measures, similar to those offered in UGI's program. The cost for the walk-through assessment is significantly lower than the \$500 whole home audit and could potentially provide the same amount of energy savings.

The OCA further submits that UGI should consider changes to the marketing of the Home Energy Assessment Program. Currently, UGI's online marketing does not leverage the offer of direct install measures at no additional cost, which could encourage participation. UGI's online marketing for the program should be updated to set a participant's expectations for

the program by stating what the audit assesses in a home, how long the audit takes, and ways that it will save money.

Given these concerns, the OCA does not oppose waiving the \$50 audit fee for six months to increase participation. The OCA submits, however, that during this period UGI should consider modifications to the marketing materials for the Home Energy Assessment Program to provide customers with a better understanding of what the program offers. At the six-month mark, UGI should provide information on updated participation, cost, and energy savings data on the program for further evaluation of whether the audit fee should continue.

Respectfully Submitted,



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