

CITIZEN POWER

Public Policy Research Education and Advocacy

May 12, 2015

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Docket No. M-2015-2468992

Dear Secretary Chiavetta:

Enclosed for filing with the Commission on behalf of Citizen Power, Inc. are its Reply Comments in the above-captioned proceeding.

Sincerely,

/s/ Theodore S. Robinson
Theodore Robinson
Counsel for Citizen Power

Enclosures

**BEFORE THE PENNSYLVANIA
PUBLIC UTILITY COMMISSION**

Energy Efficiency and Conservation Program)
2016 Total Resource Cost (TRC) Test) Docket No. M-2015-2468992

COMMENTS OF CITIZEN POWER, INC.

Citizen Power provides these Reply Comments in support of the April 27th Comments of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) as well as the Joint Comments of Citizens for Pennsylvania’s Future, Sierra Club, Environmental Defense Fund, Clean Air Council, and Natural Resources Defense Council (“Joint Commentators”) in response to the Commission’s March 11, 2015 Tentative Order in docket M-2015-2468992.

I. CAUSE-PA Comments

Citizen Power supports the recommendation that the TRC test should be expanded to include consideration of reductions in the costs of Universal Service Programming and uncollectible accounts. These savings should be included in the TRC test because they are a monetary benefit to residential customers and they are quantifiable. This results in a more

accurate determination of the costs and benefits of a particular energy efficiency program or project.

II. Joint Commentators

Citizen Power also supports the position of the Joint Commentators that the TRC test should include non-energy benefits to ratepayers as well as the proposition that alternatives to the TRC test are allowed under Act 129. First of all, O&M benefits that result from programs, such as fossil fuel and water savings, should be included in the TRC calculations because they benefit the ratepayers and those benefits are easily quantifiable. In essence, from the perspective of the customer, the known monetary savings from the O&M benefits offset the electricity costs.

Second, other non-energy benefits such as carbon emission reductions and increased housing property value should also be included in the TRC calculations because they clearly benefit ratepayers and their inclusion can increase the accuracy of the TRC test. Although some non-energy benefits are more easily quantifiable than others, the value of a benefit can be discounted to a degree to reflect this uncertainty. The use of this methodology, while not as accurate as it could be, is much more accurate than assuming that non-energy benefits should be set at zero in cases where they can't be determined with relative certainty.

Third, if the Commission determines that Act 129 does not allow for the inclusion of non-energy benefits in the TRC test, an alternative to the TRC test that includes non-energy benefits should be used in order to obtain the most accurate cost-benefit analysis possible. Although the TRC test is required for the first phase of the program, after that the Commission has the discretion to use whatever cost-benefit analysis is most appropriate. The requirement that the

first phase utilize the TRC test should not be interpreted as an overall preference for that test, but instead it should be viewed as an indication that the TRC test may have been the best choice for the beginning of the program because of its ease of implementation. After the first phase, it is more appropriate to use a test that includes non-energy benefits.

Respectfully Submitted,

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