PPL Electric Utilities Submits Plan to Further Promote Customer Energy Efficiency

Next Phase for Reducing Energy Consumption Will Run Through May 2016

PPL Electric Utilities

PPL Electric Utilities today requested state approval of its plan for the next generation of E-power® programs to help customers become more energy efficient.

The slate of offerings for the second phase of programming under the state's energy efficiency and conservation law — known as Act 129 — includes some of the same programs offered in the first phase and some new programs based on market research and stakeholder input.

Proposed new offerings include an efficient equipment rebate program for agricultural customers and an energy efficiency program for multi-family dwellings. The structure and rebate levels will be modified for some of the programs that will be retained from the current first phase.

Pennsylvania Public Utility Commission action on the utility's plan is expected early next year. The second phase of Act 129 will last three years and start June 1, 2013.

Under Phase II, the PUC directed PPL Electric Utilities to reduce annual customer electric use by 2.1 percent over the three-year period ending May 31, 2016, and achieve annual savings of 8.2 million kilowatt-hours. Not all utilities have the same reduction target. Those benchmarks vary by utility based on program potential, costs and available funding.

The first phase of energy efficiency and conservation programs under the law will have spanned four years when it ends on May 31, 2013. It required utilities to reduce customers' electric use 1 percent by mid-2011 and 3 percent by mid-2013. In addition, there is a peak demand reduction target of 4.5 percent.

Under Act 129, electric distribution companies with at least 100,000 customers are required to adopt and implement cost-effective plans to reduce energy consumption and peak demand.

"Response so far to our E-power® programs has been great and we expect it will continue through the second phase," said PPL Electric Utilities President Gregory N. Dudkin. "Helping customers become more energy efficient and take more control over their energy use has long been part of the way we do business. It's the right thing to do."

The next phase of energy-efficiency programs was designed after listening to customer feedback and evaluating market potential. Details on PPL Electric Utilities' next round of programs can be found by visiting pplelectric.com, then selecting "Save Energy & Money" and "For Act 129 Stakeholders."

Current programs successful
From June 2009 through August 2012, PPL Electric Utilities customers used E-power programs to save estimated 1.1 billion kilowatt-hours per year of electricity, enough to power more than 100,000 average homes in the U.S. for a year. E-power programs also paid more than $102 million in rebates.

Programs highlights include more than 7 million compact fluorescent light bulbs sold at discounted prices through retailers or given away at special events and the recycling of more than 45,000 older, inefficient appliances.

"A lot has been accomplished, but the next phase is an opportunity to do even more," Dudkin said.

Program budget
The utility will spend $184.5 million on the next phase of the programs. The annual customer charge of $61.5 million is the same as the current program. Funding comes through a charge on customer bills, but utilities are

not allowed to profit from the programs. The current monthly charge of about $2 for an average residential customer is expected to remain the same in Phase II.

“Most of these programs have very short payback periods and customers also are saving energy and money over the long term,” Dudkin said. “I urge everyone to investigate how they can benefit.”

PPL Electric Utilities Corporation, a subsidiary of PPL Corporation, provides electricity delivery services to about 1.4 million customers in Pennsylvania and consistently ranks among the best companies for customer service in the United States. More information is available at www.pplelectric.com.

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