

**PPL Electric Utilities Corporation's Responses and Updates to
Issues Identified by the Commission in its March 14, 2013 EE&C Order**

EE&C Order, Ordering Paragraph 7: Consistent with the Commission's *EE&C Order*, on April 19, 2013, PPL Electric met with the Commission's Bureaus of Consumer Services and Technical Utility Services to address improvements in the coordination of the Company's Low-income WRAP Program with ongoing conservation programs, and to address accounting issues that may arise as a result of the implementation of multiple conservation programs.

EE&C Order, Ordering Paragraph 8: In its *EE&C Order*, the Commission rejected the Company's proposed Low-income Energy Efficiency Behavior & Modification Program as filed, and provided PPL Electric with two options: (a) eliminate the program and reallocate the funds budgeted for the program to other Phase II EE&C Plan programs targeted at low-income customers; or (b) submit a revised Low-income Energy Efficiency Behavior & Modification Program with its revised Phase II EE&C Plan that addresses the issues enumerated in the Commission's Opinion and Order.

PPL Electric has elected to maintain this program in its Phase II EE&C Plan and has submitted a revised Low-income Energy Efficiency Behavior & Modification Program with this filing, addressing the issues identified by the Commission in its Opinion and Order. The Company informed its stakeholders of its decision at the May 1, 2013 stakeholder meeting.

EE&C Order, Ordering Paragraph 9: PPL Electric has revised its Master Metered Low-income Multifamily Housing Program to include LED lighting measures consistent with the Commission's Opinion and Order.

EE&C Order, Ordering Paragraph 10: As directed, on May 1, 2013 PPL Electric shared its education plan for the Company's Master Metered Low-income Multifamily Housing Program with its stakeholders. PPL Electric received significant input from its stakeholders, which will be incorporated by the Company, as appropriate, when it finalizes the education component of this program.

EE&C Order, Ordering Paragraph 12: The Commission directed PPL Electric to report all instances of customers switching to electric appliances from gas appliances or to gas appliances from electric appliances, and to provide data on replacement appliances and systems installed. In addition, the Commission directed the Company to report instances where an electric heat pump is installed to replace an existing natural gas furnace, or where a heat pump rebate was paid to an existing natural gas customer.

Consistent with the Company's Phase I EE&C Plan, PPL Electric will continue to track and report customers who switch from natural gas to rebated electric measures that have a gas equivalent. In addition, PPL Electric will track and report customers who switch from electric to gas as part of the Phase II fuel switching pilot.¹ PPL Electric's Phase II EE&C Plan does include a rebate for those customers that install an electric heat pump to replace an existing natural gas furnace. To the extent that PPL Electric is made aware of such a situation, PPL Electric will report this information.

EE&C Order, Ordering Paragraph 15: As directed, PPL Electric consulted with the Commission's Bureau of Audits and developed a revised cost recovery mechanism that was filed with the Commission on May 1, 2013, with an effective date of June 1, 2013.

EE&C Order, Ordering Paragraph 17: Consistent with the Commission's *EE&C Order*, PPL Electric has established a maximum time period of 180 days for the submission of incentive applications for conservation service measures following the in-service date of a measure.

¹ PPL Electric cannot identify customers who switch from an electric device to a gas device outside of the fuel switching pilot because there is no rebate application for that gas device.