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PUCO

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Public Utilities Commission of Ohio
Attn: Docketing Division
180 E. Broad Street
Columbus, OH 43215

December 9, 2008

Re: Case No. 80-935-EL-SSO

Commissioners of the PUCO

Since 1972, COSE has been actively involved in helping small businesses succeed within Northeast Ohio. As a product of our experience in working with small businesses, we have come to realize the impact that energy costs have on these small commercial users. In an economic time where small businesses are striving to gain efficiencies at any level, those gained in respect to energy costs can have a great impact on their ability to not only remain in business, but also to thrive and contribute to economic growth in the State of Ohio.

Since 1999, COSE has had the opportunity to work with FirstEnergy on an electricity aggregation program for COSE members. With over 1,100 small businesses participating in this program, COSE has been able to witness, first hand, the impact of the savings created for these small businesses. In addition to cost savings, the ability to appropriately budget for and predict energy costs is important to small customers, especially during volatile economic times. With change pending for Ohio's electric markets, small commercial users do not know how to effectively plan for their 2009 costs. Most small businesses have already begun or completed their budgets for FY 2009 and many of them are finding themselves experiencing a high sense of anxiety around the fact that the 2009 electric rates are yet to be determined. As such, it is crucial to move forward and develop these rates to allow for the stability and predictability small commercial users rely on for their business models.

As the current RSP comes to a close, COSE is looking to the future to develop a program that has the capacity to both work in favor of our members, as well as to work with FirstEnergy and the Public Utilities Commission of Ohio. COSE believes that this program comes in the form of energy efficiency. As the current Electric Stabilization Plan is written, \$25 million is set aside for energy efficiency-oriented efforts over the next five years. We know that our members, and small business in general, will be able to utilize these resources to better understand and implement energy efficient practices and programs within their workplaces.

Small businesses are a receptive audience for energy efficiency programs and services. In our experience with small businesses, we have found that they are open and eager to new

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opportunities to improve energy efficiency within their workplaces. In a survey of COSE members earlier this year, 94% of small businesses noted that implementing energy efficiency practices within their workplaces is of important consideration. However, while these small businesses understand the importance of energy efficient practices, 44% note that they have not considered implementing energy efficient practices because they either do not understand the actual savings or because they are unable to take the time to investigate the options. As small business owners wear many hats, developing an energy efficiency program is one that often times gets pushed to the bottom of the priority list.

In COSE's experience as an aggregator of a variety of different product and service offerings, we have become very effective at providing education, awareness and product delivery to small business owners and their employees. Accordingly, we have the capability to engage these small commercial users in energy efficiency programs to enhance their education, awareness and utility of energy efficiency products and services. We have engaged in recent conversations with providers of energy efficiency products, resources and consultation, who indicate a willingness to develop products and services for smaller businesses if organizations like COSE are able to provide economies of scale to make the costs of reaching those companies more reasonable. We are confident in our abilities to provide these services to our members in conjunction with utilities and other resource providers in Northeast Ohio. We believe these efforts will not only aid our members, but will also help to advance the broader goal of improving Ohio's energy "benchmarks" by 2025.

While each class of customers finds itself with its own specific needs, those of the small commercial users are unique and, often, unheard. While small commercial users have expressed an interest and a need to improve their energy efficiency, many small businesses lack the financial, personnel and time resources that are necessary to effectively implement these types of programs. The Commission and key small business support organizations, like COSE, must recognize the needs of smaller customers and assist them with the educational and product resources that can help to make their workplaces more energy efficient.

For the reasons mentioned above, COSE asks that the PUCO move quickly to finalize an approach to 2009 needs that will provide clarity for small business in the short term. In addition, we need the Commission's leadership in structuring new resources and capacities that provides for broader education and assistance for the state's small business electricity customers in their pursuit of greater energy efficiency.

Sincerely,



Steve Millard
President and Executive Director, COSE