

## THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF OHIO POWER COMPANY FOR APPROVAL OF ITS ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION PROGRAM PORTFOLIO PLAN FOR 2017 THROUGH 2020.

**CASE NO. 16-574-EL-POR**

IN THE MATTER OF THE APPLICATION OF DUKE ENERGY OHIO, INC. FOR APPROVAL OF ITS 2017-2019 ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION PROGRAM PORTFOLIO PLAN.

**CASE NO. 16-576-EL-POR**

IN THE MATTER OF THE APPLICATION OF THE OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, AND THE TOLEDO EDISON COMPANY FOR APPROVAL OF THEIR ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION PROGRAM PORTFOLIO PLANS FOR 2017 THROUGH 2019.

**CASE NO. 16-743-EL-POR**

IN THE MATTER OF THE APPLICATION OF THE DAYTON POWER AND LIGHT COMPANY FOR APPROVAL OF ITS ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION PROGRAM PORTFOLIO PLAN FOR 2018-2020.

**CASE NO. 17-1398-EL-POR**



## COMMENTS REGARDING APPROPRIATE STEPS TO BE TAKEN WITH RESPECT TO ENERGY EFFICIENCY PROGRAMS ONCE THE STATEWIDE CAP OF 17.5 PERCENT, SET BY AM. SUB. HOUSE BILL 6, HAS BEEN MET

The Combined Heat and Power Alliance (“Alliance”) appreciates the opportunity to submit comments to the Public Utilities Commission of Ohio (“Commission”) on behalf of concerned entities in the Ohio area (“Organizations”). The Alliance is a coalition of business, labor, contractor, non-profit organizations and educational institutions who share the vision that efficient technologies—particularly Combined Heat and Power (CHP) and Waste Heat to Power (WHP)—can make America’s manufacturers and other businesses more competitive, lower energy costs, enhance grid reliability, and reduce emissions.

The undersigned Organizations—including manufacturers and trade associations with operations, employees, customers, and interests in Ohio—strongly urge the Commission to not terminate the utility energy efficiency programs once the statutory cap of 17.5 percent has been met, and think it is appropriate for the electric distribution utilities (“EDUs”) to continue to spend ratepayer funds on energy efficiency programs after the statutory cap has been met.

Over the last decade, the EDUs delivered incentives and rebates to customers that invested in energy efficiency measures, which has successfully provided Ohioans with substantial savings, created employment opportunities across the state, and improved economic competition for Ohio businesses. The Midwest Energy Efficiency Alliance estimates that the programs in Ohio have:

- **Saved Ohioans money and increased economic prosperity.** From 2009 (the inception of Ohio’s energy efficiency resource standard) through 2017, the energy efficiency programs generated \$5.1 billion in customer bill savings. In 2017, energy efficiency programs created \$2.65 in benefits for Ohio customers for every \$1 spent. Additionally, energy efficiency is by far the cheapest energy resource in Ohio, with an average cost of \$14 per megawatt hour (“MWh”)¹.
- **Reduced energy consumption.** Ohio’s energy efficiency programs accrued over 49 million MWh of cumulative electricity savings through 2017. That is enough electricity to power every home in Ohio for 10.5 months².
- **Created jobs in Ohio.** Energy efficiency accounted for nearly 82,000 jobs or 72% of the entire clean energy workforce in Ohio in 2018; Ohio employers created over 2,000 energy efficiency jobs in 2018, a 2.5 percent growth rate for the sector³.

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¹ MEEA. “Energy Efficiency: A Good Investment for Ohio.” 2017. <http://www.mwalliance.org/sites/default/files/media/Ohio-State-FactSheet.pdf?current=/taxonomy/term/11>

² MEEA. “Energy Efficiency in Ohio: Energy & Bill Savings for Customers, 2009-2017”. 2017.

[http://www.mwalliance.org/sites/default/files/meea-research/2009-2017\\_ohio\\_energy\\_and\\_bill\\_savings-meea-final.pdf](http://www.mwalliance.org/sites/default/files/meea-research/2009-2017_ohio_energy_and_bill_savings-meea-final.pdf)

³ Clean Energy Trust. “Clean Jobs Midwest 2019: Ohio Executive Summary.”

[https://cjm2019test.wpengine.com/wpcontent/uploads/2019/04/Ohio\\_CJM-Exec-Summary-FINAL.pdf](https://cjm2019test.wpengine.com/wpcontent/uploads/2019/04/Ohio_CJM-Exec-Summary-FINAL.pdf)

Terminating the energy efficiency programs will undermine Ohio's ability to capitalize on savings in future years. Analysis conducted by the Alliance<sup>4</sup> shows that by increasing energy efficiency measures, Ohio can:

- **Save businesses an estimated \$12.5 billion** from avoided electricity purchases through 2030;
- **Reduce annual carbon dioxide (CO<sub>2</sub>) emissions by 10.3-million tons in 2030**—equivalent to 3 conventional power plants or nearly 1 million homes' energy use for 1 year; and
- **Save 15.2-million MWh of electricity in 2030.**

The Commission should maintain the EDUs' energy efficiency programs and should urge EDUs to spend funds on the programs once the statutory cap is met, because these programs boost businesses' economic opportunity by significantly reducing their energy costs, their energy use, and their emissions. Eliminating the programs will limit job growth in Ohio and greatly undermine the competitiveness of Ohioan businesses.

The Alliance appreciates this opportunity to submit comments on behalf of concerned businesses and organizations.

Sincerely,

2G Energy Inc.  
Capstone Turbine Corporation  
ElectraTherm  
Enginuity Power Systems  
GEM Energy  
Heat is Power Association  
Integral Power LLC  
Ironclad Energy Partners  
Midwest Cogeneration Association  
Ormat Technologies  
Primary Energy Recycling Corporation

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<sup>4</sup> Alliance for Industrial Efficiency. "State Ranking Reports: Ohio Factsheet." September 2016. [https://chpalliance.org/wp-content/uploads/2016/10/Final\\_Ohio-Factsheet\\_AIE-State-Ranking-Report.pdf](https://chpalliance.org/wp-content/uploads/2016/10/Final_Ohio-Factsheet_AIE-State-Ranking-Report.pdf). The Combined Heat and Power Alliance was known as the Alliance for Industrial Efficiency until September 2019.

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**11/25/2019 12:57:39 PM**

**in**

**Case No(s). 16-0574-EL-POR, 16-0576-EL-POR, 16-0743-EL-POR, 17-1398-EL-POR**

Summary: Comments Business comments regarding appropriate steps to be taken with respect to energy efficiency programs once the statewide cap of 17.5 percent, set by Am. Sub. House Bill 6, has been met electronically filed by Mr. William Sherman on behalf of 2G Energy Inc. and Capstone Turbine Corporation and ElectraTherm and Enginuity Power Systems and GEM Energy and Heat is Power Association and Integral Power LLC and Ironclad Energy Partners and Midwest Cogeneration Association and Ormat Technologies and Primary Energy Recycling Corporation