

November 25, 2019

Public Utilities Commission of Ohio 180 East Broad Street Columbus, OH 43215 PUCO

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Subject:

PUCO Case No. 16-0574-EL-POR and Case No. 16-0576-EL-POR

To Chairman Randazzo and the Commissioners of the Public Utilities Commission of Ohio:

As a key partner in the delivery of Ohio's energy efficiency programs, I encourage you to allow Ohio's Electric Distribution Utilities to continue to operate programs through December 31, 2020, independent of reaching the statutory cap of 17.5 percent established by Am. Sub. House Bill 6 ("H.B. 6"). As one of Ohio's largest providers of energy efficiency for Data Centers, Willdan knows the impact of energy efficiency on Ohio's communities and its economy. Working with AEP Ohio, we have implemented over 170 data center energy efficiency projects over the life of the program. Ending the existing programs once they reach the 17.5 percent cap would create unpredictable and dramatic job loss that would hurt Ohio's economy.

On October 23, 2019, the Public Utilities Commission of Ohio ("PUCO" or "the Commission") Issued an Entry seeking comments from interested stakeholders on how energy efficiency programs should be managed based on Am. Sub. House Bill 6 ("H.B. 6"). One intent of H.B. 6 is to retain energy efficiency programs and the associated cost recovery until December 31, 2020, to enable an orderly post-2020 transition. R.C. 4928.66(F) states that if an EDU has a portfolio plan in effect that ends prior to December 31, 2020, "the commission shall extend the plan through that date." Furthermore, without measuring and verifying claimed energy savings, the Commission cannot issue a final calculation as to whether the 17.5% energy savings cap under R.C. 4928.66(G) has been met.

Regarding energy efficiency, the intent of H.B. 6 is to create a logical plan for transitioning energy efficiency programs, not to cut them off arbitrarily. To achieve a successful transition and to avoid harmful effects of a mid-year termination, the Commission should rule it appropriate for EDU's to continue applying ratepayer funds to energy efficiency projects. Regardless of the timing, the implementation of H.B. 6 will have a devastating effect on the energy efficiency industry and create dramatic job loss in Ohio. Energy efficiency currently supports 81,000 jobs and 10,000 energy efficiency businesses in Ohio¹ – the majority of these jobs will be eliminated when the existing EDU efficiency programs end. While the termination of these programs will hurt Ohio's economy, the Commission can mitigate this disruption by allowing the programs to extend through the end of 2020. This will allow impacted workers to find new careers. It will give energy efficiency professionals an opportunity to transition into a new line of work rather than forcing abrupt career changes when programs hit their statutory 17.5 percent cap.

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¹ Source: "2019 - Energy Efficiency Jobs in America, Ohio" E4thefuture and E2, 2019. Report appended to this letter.

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In addition to smoothing the professional transition of thousands of Ohio residents, an extension for programs that hit their 17.5 percent cap will also extend the many benefits that energy efficiency brings. Energy efficiency is an extremely productive application of ratepayer funds – since 2008, Ohio residents and businesses have received \$2.65 in benefits for every dollar spent on energy efficiency. In Willdam's experience working with the data center customers of AEP Ohio, energy efficiency brings needed facility upgrades that help businesses save money and thrive. Data Centers run 24 hours a day, 365 days a year so our program has a major impact on helping businesses run more cost and energy efficient. Our work alone has contributed to more than \$11 million that Ohio businesses save on their energy bills each year. An extension of Ohio's EDU efficiency programs past the 17.5 percent cap will bring these benefits to more customers in 2020 and complete the additional \$5 million in annual energy costs savings projected for 2020 projects in our pipeline. This will help ease the transition as utilities and partners like Willdam look for ways to extend the benefits in 2021 and beyond in the wake of H.B. 6.

We appreciate the Commission's willingness to consider our perspective regarding the importance of ensuring continuity for energy efficiency programs through 2020.

Respectfully submitted,
WILLDAN ENERGY SOLUTIONS

Daniel Chow President/CEO

cc: Laurie Redeker (WES)

Tim Frajter (WES)

