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BEFORE

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THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of Protocols for the Efficiency)
Measurement and Verification of Energy)
and Peak Demand Reduction Measures.)

PUCO

Case No. 09-512-GE-UNC

THE OHIO DEPARTMENT OF DEVELOPMENT COMMENTS
REGARDING THE COMMISSION'S JUNE 24, 2009 ENTRY, APPENDIX B

By its entry in this docket of June 24, 2009, the Commission has called for comments from interested parties with respect to the establishment of protocols for the measurement and verification of energy efficiency and peak-demand reduction measures, to be incorporated into a Technical Reference Manual (TRM). To assist in the development of the TRM, the Commission established a timeline for comments, beginning with comment on Appendix B. As proposed, Appendix B provides categories of data that should be included in a TRM for deemed measures and deemed calculated measures for determining energy savings, demand reductions, and cost-effectiveness per the total resource cost test (TRC).

The Ohio Department of Development (ODOD) has a real and substantial interest in these matters and, thus, submits its comments on Appendix B. ODOD supports the Commission's purpose for establishing a TRM for the measurement and verification of energy efficiency and peak-demand reduction measures.

Background on Residential Programs

ODOD has managed the Home Weatherization Assistance Program (HWAP) and its predecessor programs, since 1977. HWAP is designed to accomplish three primary objectives:

- (1) increase the energy efficiency of dwellings owned or occupied by low-income persons, (2)

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reduce the participants' total residential energy expenditures, and (3) improve participants' health and safety. As part of HWAP, an inspection or audit ¹ is performed to determine what energy-efficiency measures are appropriate. Client education is also provided to empower HWAP recipients to take specific actions to reduce energy consumption. A final inspection is conducted for the weatherization measures that were installed. Weatherization measures include insulation, sealing openings in the home, and repairing/tune-up of combustion appliances. Funding for HWAP is provided by the Department of Energy (DOE) Weatherization Assistance Program and from the Low-Income Energy Assistance Program (LIHEAP).

Also, ODOD designed the Electric Partnership Program (EPP) to reduce the electric consumption of investor-owned utility customers participating in or eligible to participate in the Percentage of Income Payment Plan (PIPP). In the initial phase of the EPP actual PIPP customers were targeted. Beginning April 1, 2008, the EPP expanded to include all PIPP-eligible electric customers. The EPP targets PIPP customers according to their usage of electricity, starting with the high use customers. As part of this program, an energy auditor, from an EPP provider, visits the customer's home and, with the help of the customer, determines how the household uses electricity. Appliances and equipment that use the most electricity are usually replaced with newer, more energy efficient models. Refrigerators and freezers are replaced when the savings-to-investment ratio (SIR) is 1.0 or higher. The auditor also installs energy saving devices (energy efficient shower heads, water tank wraps, and compact fluorescent

¹ Audits are performed using the National Energy Audit Tool (NEAT) developed for DOE's Weatherization Assistance Program. NEAT produces a prioritized list of cost-effective measures customized for each dwelling based on building characteristics and type of heating and cooling systems.

lights), and teaches customers how to make changes in the way that they use electricity to further reduce electric usage.

Comments on Residential Measures

ODOD offers the following comments regarding Appendix B, as applied to residential consumers. With respect to calculating savings, ODOD recommends that the protocols adopted by the Commission include taking a measurement of the actual energy consumption of the equipment, under normal operating conditions, before it is replaced, rather than using a "deemed" or an estimated value. It is ODOD's experience that engineering calculations typically overestimate savings. Without the actual energy consumption evaluation, with pre- and post-treatment consumption comparison, the projected energy savings will very likely be inflated.

To determine the energy efficiency of new replacement equipment, ODOD recommends that the applicable DOE standards and tools be incorporated into the TRM. The DOE standards were developed to comply with The Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6291 *et seq.*). ODOD believes that use of the DOE standards would provide evaluation consistency among the programs currently underway and the new energy efficiency programs. Further, use DOE's software tools would reduce a utility's energy efficiency program costs, by avoiding software development costs. If evaluation software is used from another source, ODOD recommends that such software be a commercial program that is accepted by the related industry, rather than a customized program developed for a specific utility's use.

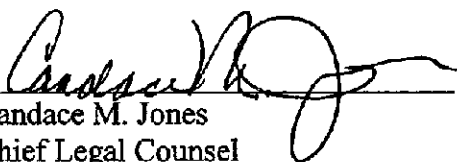
Last, ODOD recommends that the energy efficiency of the new equipment be confirmed, under normal operating conditions, to determine whether the projected energy savings value is accurate.

Commercial and Industrial

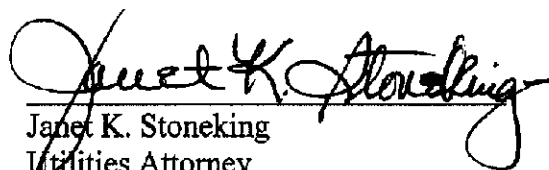
ODOD through the Ohio Energy Office (OEO) assists businesses in Ohio with energy efficiency and conservation projects. With respect to Appendix B for the commercial and industrial business segments, these segments do and should utilize a combination of measured information, engineering calculations, and equipment run hour estimates to address equipment energy usage estimates. ODOD is willing to work collaboratively with the Commission to provide the benefit of its experience in working with the commercial and industrial segments. For example, OEO can provide information regarding the manner in which it uses a combination of measured information, engineering calculations, and equipment run hour estimates to project energy savings in commercial and industrial settings.

ODOD appreciates the opportunity to submit these comments and urges the Commission to adopt these comments in formulating the TRM now under consideration.

Respectfully submitted,



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A handwritten signature in black ink, reading "Janet K. Stoneking". The signature is fluid and cursive, with a large loop at the end of the last name.

Janet K. Stoneking

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