

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of Protocols for the)
Measurement and Verification of Energy) Case No. 09-512-GE-UNC
Efficiency and Peak Demand Reduction)
Measures.)

ENTRY ON REHEARING

The Commission finds:

- (1) On June 24, 2009, the Commission issued an entry in this proceeding, establishing a procedure for the development of protocols for the measurement and verification (M&V) of energy efficiency and peak demand reduction measures. In Appendix A of the entry, the Commission identified five major issues where policy guidance was needed in order to proceed with the development of an Ohio Technical Reference Manual (TRM) and the determination of energy savings and demand reductions.
- (2) On July 24, 2009, the following entities filed comments on Appendix A: Industrial Energy Users–Ohio (IEU-Ohio); Toledo Edison Company, Ohio Edison Company, and The Cleveland Electric Illuminating Company (collectively, FirstEnergy); Ohio Power Company and Columbus Southern Power Company (collectively, AEP-Ohio); Ohio Manufacturers Association (OMA); Ohio Hospitals Association (OHA); Duke Energy of Ohio, Inc. (Duke); Dayton Power and Light Company (DP&L); Ohio Partners for Affordable Energy (OPAE); and the Office of the Ohio Consumers' Counsel, the Natural Resources Defense Council, Citizens Power, the Ohio Environmental Council, Environment Ohio, and Sierra Club (collectively, OCEA). Having taken these comments under advisement, the Commission issued an Opinion and Order on October 15, 2009, setting policies related to the development of the Ohio TRM and the determination of energy savings and demand reductions.
- (3) On November 13, 2009, FirstEnergy filed an application for rehearing, alleging that the Opinion and Order was unreasonable and unlawful on the grounds that the Commission's prohibition against the development of incentives for projects that have a payback of one year or less is contrary to Section 4928.66, Revised

Code, inconsistent with other Commission findings, arbitrary and unsupported by any evidence, and unnecessarily costly.

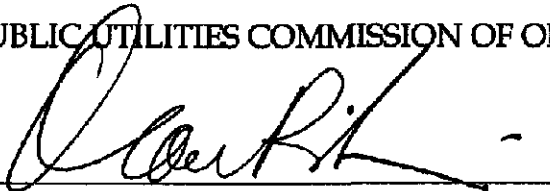
- (4) Moreover, on November 16, 2009, IEU-Ohio filed an application for rehearing, asserting that the definitions set forth in the Opinion and Order of baseline efficiency and market penetration for determining energy savings and demand reductions are unlawful and unreasonable.
- (5) Further, on November 16, 2009, OCC filed an application for rehearing, alleging that the Opinion and Order was unreasonable and unlawful on the grounds that the Commission was unclear and erred when it stated that the baseline for measuring energy efficiency that involves the early retirement of existing equipment "should be set at the higher of federal or state minimum efficiency standards, or, if data is readily available for the measures at issue on the Department of Energy's Energy Information Administrator (DOE EIA) website, efficiency levels for current market practices for those measures." OCC contends that the Commission should clearly state that the baseline should be set at the highest standard that would be provided by any of the three sources of information. On November 25, 2009, IEU-Ohio filed a memorandum contra OCC's application for rehearing.
- (6) The Commission grants the applications for rehearing filed by FirstEnergy, IEU-Ohio, and OCC. We believe that sufficient reason has been set forth by the parties seeking rehearing to warrant further consideration of the matters specified in the applications for rehearing.

It is, therefore,

ORDERED, That the applications for rehearing filed by FirstEnergy, IEU-Ohio, and OCC be granted. It is, further,

ORDERED, That a copy of this Entry on Rehearing be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

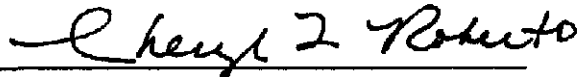


Alan R. Schriber, Chairman



Paul A. Centolella

Ronda Hartman Fergus



Cheryl L. Roberto

Valerie A. Lemmie

RLH:ct

Entered in the Journal

DEC 11 2009



Renee J. Jenkins
Secretary