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FAX

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

PUCO

2010 MAR 29 PM 3:30

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In the Matter of the Application of)	
Ohio Edison Company, The)	Case Nos. 09-1947-EL-POR
Cleveland Electric Illuminating Company)	09-1948-EL-POR
and The Toledo Edison Company for Approval)	09-1949-EL-POR
of their Energy Efficiency and Peak Demand)	
Reduction Program portfolio Plans for)	
2010 through 2012 and Associated)	
Cost Recovery Mechanisms)	
)	
In the Matter of the Application of)	
of Ohio Edison Company, The)	Case Nos. 09-1942-EL-EEC
Cleveland Electric Illuminating Company,)	09-1943-EL-EEC
and the Toledo Edison Company for)	09-1944-EL-EEC
Approval of their Initial; Benchmark Reports)	
)	
In the Matter of the Energy Efficiency)	
And Peak Demand Reduction Program)	Case No. 09-580-EL-EEC
Portfolio of Ohio Edison Company, The)	09-581-EL-EEC
Cleveland Electric Illuminating Company)	09-582-EL-EEC
and The Toledo Edison Company)	

INITIAL BRIEF
FILED ON BEHALF OF THE
NEIGHBORHOOD ENVIRONMENTAL COALITION,
THE EMPOWERMENT CENTER OF GREATER CLEVELAND,
CLEVELAND HOUSING NETWORK,
AND
THE CONSUMERS FOR FAIR UTILITY RATES,
(KNOWN AS THE CITIZENS COALITION)
DATED MARCH 29, 2010

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The Neighborhood Environmental Coalition, The Empowerment Center of Greater Cleveland, Cleveland Housing Network and The Consumers for Fair Utility Rates (collectively "Citizens Coalition") hereby file the following Initial Brief, through their counsel in this proceeding. Evidentiary hearings have already been held in Columbus, Ohio, before the PUCO. Unfortunately, no public hearings have been held in this proceeding.

The Citizens Coalition presents the following arguments and recommendations which are especially aimed at achieving a collaborative process for implementing the various programs for encouraging energy efficiency and reducing peak load. The Citizens Coalition is also convinced that maximum public involvement in these efforts should be sought, including by public hearings scheduled by the PUCO throughout FirstEnergy territory.

1. THE CITIZENS COALITION URGES FIRST ENERGY AND ITS OPERATING COMPANIES, THE OCC, AND ALL PARTIES TO THIS PROCEEDING TO ADOPT A COOPERATIVE AND COLLABORATIVE APPROACH IN CARRYING OUT THE ENERGY EFFICIENCY PROVISIONS OF SB 221.

Ohio's SB 221 has established various goals for energy efficiency and peak load reduction. The Citizens Coalition generally supports these. Unfortunately, one particular program, which we will call "The Light Bulb Program," has drawn considerable public comment and criticism from Ohioans. Part of this criticism, may perhaps be justified, but the Coalition very much hopes that the initial problems

with this program are not turned into a weapon to destroy the overall energy efficiency effort and undermine the whole objective of energy efficiency in Ohio.

The understanding of the Citizens Coalition is that the present proceeding not only concerns "The Light Bulb Program," but all of the portfolio of programs proposed by FirstEnergy and its operating Companies (hereinafter called "FirstEnergy") to meet the requirements of SB 221 and the accompanying regulations approved by the PUCO. The Citizens Coalition urges all involved in this proceeding to work together both to achieve the energy efficiency goals of SB 221 and to implement the various programs proposed by FirstEnergy as soon as practical.

There is a time for litigation. There is a time for cooperation. All of the parties have pursued their legal rights and claims in this matter. Now is a time for all to work together. The Citizens Coalition had adopted a stance of cooperation and had sought to work within the FirstEnergy Collaborative. The Commission in this case should affirm that all the parties must work together to implement the energy efficiency programs. This should be based on the principles that normally govern a collaborative process.

Here are some excellent ideas about collaboration provided by an organization called Collaborative Processes which is located in Denver, Colorado. Collaborative Processes provides facilitation, coaching and advice to groups of persons, business entities, nonprofits/NGOs and government agencies that want to:

- Work effectively together toward common objectives.
- Transform conflict from destructive to productive.
- Develop a joint strategic framework for action.
- Receive the advantages of using dialogue to end unproductive conflict and build improved relationships.
- Move collaboration from a concept or "vision statement" into action.
- Realize and accept the reality and benefits of inter-connectedness (avoiding the illusion of fragmentation and disconnection).
- Search broadly for options, avoiding the narrow field of view that law often brings to conflict.
- Learn to make collaboration a real component of their activities.
- Use collaboration to create institutional strategies, and make important decisions.

Here is a framework for the FirstEnergy collaborative. If FirstEnergy is unable by itself to work within such a structure and with such goals, then perhaps the PUCO should introduce an organization such as Collaborative Processes into Ohio and into the FirstEnergy collaborative.

In conclusion, Concerned Citizens urges the PUCO to order FirstEnergy and the other parties to adopt a collaborative process to carry out the energy efficiency and peak load reduction activities.

2. THE CITIZENS COALITION URGES FIRSTENERGY AND ITS OPERATING COMPANIES, THE OCC, ALL PARTIES TO THIS PROCEEDING, AND THE PUCO TO SEEK ACTIVE AND COMPREHENSIVE PUBLIC INVOLVEMENT IN CARRYING OUT THE ENERGY EFFICIENCY PROVISIONS OF SB 221.

All of the proposed energy efficiency and peak load reduction programs need substantial public support in order to succeed. This support can only be

gained by seeking out and welcoming public input, including through scheduled PUCO public hearings. It is not enough to conduct phone surveys or even focus groups, although these can be useful. What is needed are ways in which the public and the utility customers can be brought into the education, investigation, and planning stages of all programs as well as their implementation. The portfolio of programs, including for the Light Bulb program, are at best a cook book. The actual preparation of the meal is hardly begun. Even when the recipe is an outstanding one, that hardly guarantees a tasty and healthy dinner.

The Citizens Coalition hold the view that residential customers, including low-income families, must be fully included in the energy efficiency and peak load reduction programs. The Citizens Coalition strong urges the PUCO, the OCC, and other groups directly involved with Energy efficiency to reach out to the general community. This can be done through open public forums, open seminars, community groups, "energy efficiency fairs," and other general media efforts, as well as public hearings. Unless this is done in a transparent and comprehensive manner, the Citizens Coalition fears that future energy efficiency efforts may be attacked just as the "Light Bulb Program" has been attacked.

In conclusion, the PUCO should require all the parties in this proceeding to devise and implement ways that will insure public involvement in meeting the requirements of SB 221.

3. THE CITIZENS COALITION URGES FIRST ENERGY AND ITS OPERATING COMPANIES, THE OCC, ALL PARTIES TO THIS PROCEEDING, AND THE PUCO TO FOCUS SUBSTANTIAL AND SUSTAINED ENERGY EFFICIENCY AND PEAK LOAD REDUCTION PROGRAMS TO HELP LOW-INCOME FAMILIES REDUCE THEIR ENERGY USAGE, REDUCE THEIR ENERGY BILLS, AND REDUCE THE EXPENSE OF THE PIPP PROGRAM.

Last week the Cleveland Plain Dealer carried a story about the growing costs to the public of the PIPP Program. (See "Dominion East Ohio Raises Charges to Cover the Poor," by Reporter John Funk, in The Cleveland Plain Dealer on March 24, 2010.) PIPP is a very successful program, with an excellent nationwide reputation, which insures that low income families can obtain and maintain necessary utility services. Such services are a "matter of life and death," especially in the heating season. No one wants to see this program threatened by any loss of public support.

Thus it is essential to all customers who pay to support PIPP and for the utility companies themselves who receive needed revenues through PIPP that ways be found to reduce the energy usage of the low-income families. This will then reduce the bills for these families and that will result in decreasing amounts needed for the PIPP program.

The PUCO should therefore order that FirstEnergy and the FirstEnergy collaborative take all possible steps to implement the energy efficiency and peak load reduction programs that will have the maximum effect on reducing energy consumption by low-income families. These programs should be implemented as soon as possible. The best time for implementing such programs is, of course, the

summer season when the weather is favorable and community groups are active.

Again all parties to this proceeding should cooperate on this effort which can benefit everyone.

4. THE CITIZENS COALITION URGES FIRST ENERGY AND ITS OPERATING COMPANIES, THE OCC, ALL PARTIES TO THIS PROCEEDING, AND THE PUCO TO ADOPT THE FOLLOWING RECOMMENDATIONS FOR IMPLEMENTING A "WORLD-CLASS" LIGHT BULB DISTRIBUTION PROGRAM.

The Light Bulb program is one of the key concerns in this proceeding. On the surface, it would seem like this would be an easy energy efficiency program to implement. Certainly the public should be able to understand that more efficient light bulbs can reduce their energy bills as well as shrink peak loads and lessen the need for expensive new generating plant. But the program has to be properly implemented after the public have been adequately informed about it.

The Citizens Coalition already has presented various detailed recommendations for this Light Bulb Program. The most important goal in any bulb distribution program is to insure that the light bulbs are properly installed and appropriately used. Nothing would be worse than for these bulbs to be "thrown to the winds" with a hope and a prayer that they will be so employed. Rather than speed as the driving force, any program for distribution must be carried out methodically and patiently.

The following are some means for effective distribution (these have already been recommended in prior filings by the Citizens Coalition):

a. Bulb coupons could be supplied to all customers along with their bills. These coupons could be turned in at various centers and places of distribution. The fact that people had a coupon would prove they are a customer of an FE company. Also it might be required than any bulb recipient show their electric bill. This could then be marked in some way so that people would not return repeatedly and improperly for more bulbs. A limit of, say, up to six bulbs might be allowed per customer.

b. Neighborhood and charitable groups could be used to distribute the bulbs. Any organization seeking to be involved would file an application with the respective utility company. So many bulbs would be allocated to each group, say, up to 1,000 bulbs. The group would then distribute these to their members and supporters along with instructions on how to install and use the bulbs. These groups could be any charitable organization and would not have to be any kind of weatherization provider.

c. Bulbs could be distributed at various centers, say at Food Distribution Centers when bags of food are provided for the poor. Bulbs could be included for each family.

d. Various social agencies could be provided a supply for bulbs to give out for those people who come to their offices and seek their assistance. This could include the various HEAP offices.

Along with the bulbs, there should be information about how the customer can get help on questions related to the bulbs, including installation.

Also there is need for follow-up to insure the bulbs are actually being used. If the bulbs were distributed through a community group to its members and to people in the area, the community group could visit a sample of the people. This could be coupled with distribution of some further benefit to the customer, such as more light bulbs or some kind of voucher. The point would be to gain entrance to the residence and insure the bulbs were properly installed. This, of course, is a delicate matter, but it is essential in order to insure that the program is actually working.

5. THE CITIZENS COALITION URGES FIRST ENERGY AND ITS OPERATING COMPANIES, THE OCC, ALL PARTIES TO THIS PROCEEDING, AND THE PUCO TO ESTABLISH AN EFFECTIVE AND REPRESENTATIVE COLLABORATIVE TO DEVISE AND CARRY OUT THESE ENERGY EFFICIENCY PROGRAMS.

At a number of times during the Evidentiary Hearings company witnesses refer to the "collaborative" that First Energy has. The collaborative is used several times as a justification for FirstEnergy's activities as well as justifying the costs of certain programs, such as the "Light Bulb Program."

The truth is that First Energy does not really have a true "collaborative." What happens at the meetings of this so-called "collaborative" is that someone from the company makes a power point presentation, usually involving materials that are

presented to the collaborative members with little or not time to review. It is hard for the non-FE members of the collaborative to do any in-depth research or investigation on anything. This counsel, who has participated in some of these collaborative meetings, can hardly remember any real votes by members on anything. It seems like silence is assumed to be consent. This is hardly the way for a true collaborative to carry on business.

An appropriate collaborative should be involved in carrying out this program. This current "collaborative," however, needs to be strengthened in various ways so that it operate effectively. These include establishing an independent and objective chair for the collaborative. Roberts Rules of Order need to be followed in requiring motions and seconds for all actions and then a vote of those in favor as well as opposed. Consensus should be the general guideline, but voting should still be conducted.

Records need to be kept of the voting with names of those in favor, those opposing, and those abstaining. Crudely stated, voting and recording of votes permits later evaluations of what the collaborative did as well as who should be "shot" (figuratively) for failures. Voting would also insure that the collaborative members understand they are committing themselves to a program, both in terms of approval and of active involvement in implementation, and thus need to be well-informed. The Citizens Coalition would point to the excellent and comprehensive DSM collaborative which Centerior established and implemented in the 1990's. This

was chaired by an individual outside the company (namely this counsel) and did conduct business in an orderly manner with discussion of programs and votes for their implementation after all parties from all sides participated.

The current collaborative also may need some funds in order to carry out its work. This could include travel allowance so people could conduct in-person meetings.

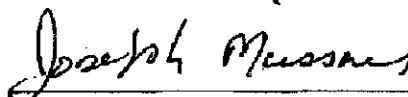
In conclusion, the PUCO must take the opportunity in this case to establish a real FirstEnergy collaborative with established membership, bylaws and guidelines for conducting business, responsible officers (generally from outside FirstEnergy), and some operating funds.

CONCLUSION:

There are other issues which may be decided in this case, including arguments about reimbursing First Energy for certain costs, especially any related to the Light Bulb program as well as any "alleged lost revenues." Since, however, it is possible that FirstEnergy will at this time waive all such cost claims and put off any decisions on this until future proceedings, it would seem like a waste of time to discuss such cost issues in this Initial Brief. The Citizens Coalition, however, reserves the right to comment on any such cost requests if FirstEnergy does raise these in its Initial Brief. The Citizen Coalition, of course, reserves the right to comment on any arguments made by any other parties in their Initial Briefs. Finally,

the Citizen Coalition urges the PUCO to adopt the Coalition recommendations made in this Initial Brief.

Respectfully submitted,



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NOTICE OF SERVICE

I hereby certify that a copy of the foregoing Initial Brief was served upon the address of all the parties in this PUCO proceeding, listed below either by electronic means including email or by ordinary first class mail, postage prepaid, on this 29th day of March, 2010.



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