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October 5, 2011

Ms. Betty McCauley, Secretary  
Public Utilities Commission of Ohio  
180 E. Broad St., 11th Floor  
Columbus, Ohio 43215-3793

RECEIVED-DOCKETING DIV  
2011 OCT -5 PM 4:42  
PUCO

Re: Case No. 11-4393-EL-RDR

Dear Ms. McCauley:

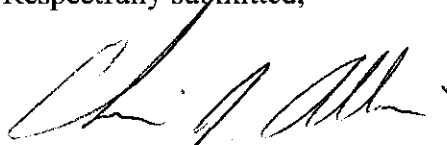
On September 21, 2011, certain members of the Ohio Consumer and Environmental Advocates ("OCEA") filed Comments in the above-referenced proceeding. It has come to the attention of OCEA members that two attachments were inadvertently omitted from the filing.

The omitted attachments, referred to in footnote nos. 22 and 23 (on page 14) are being filed with this letter.

Please file the enclosed Attachments 1 and 2, which were only intended to provide clarification to the points made in the document.

Thank you for your consideration. If you have questions, please feel free to contact me, either by phone (614-429-3092) or e-mail (callwein@williamsandmoser.com).

Respectfully submitted,



Christopher J. Allwein  
Natural Resources Defense Council

cc: Parties of Record

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Technician DD Date Processed 10-05-11

# Ohio Partners for Affordable Energy

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## MEMORANDUM

**From:** Dave Rinebolt, Executive Director  
**To:** Duke Collaborative  
**RE:** Low Income Neighborhood Program & Alternative Option  
**Date:** February 28, 2011

The following provides OPAE and its member agencies views regarding the proposed Low Income Neighborhood Program and poses an alternative program that would provide deeper savings.

### Low Income Neighborhood Program

- 1) Piggyback programs are necessary during the coming years.
  - Ohio's HWAP network is currently on track to spend ARRA funding by the end of September. The expanded capacity provides the capability to deliver a piggyback program.
  - Piggyback programs maximize the efficiency of delivering measure.
  - Program can also be run as a stand-alone
- 2) Proposed measures are not all directly related to electric use.
  - Water heater, pipe wrap, showerheads/aerators are generally gas measures.
  - HVAC filter and air sealing are electric measures only when the home is all electric or has whole-house AC.
  - Refrigerator coil cleaning is not cost-effective.
- 3) Energy savings almost exclusively from CFL direct install.
- 4) Marketing and education do not result in persistent savings.
- 5) Administrative costs exceed program costs.
- 6) Program is not cost-effective.

### OPAE Alternative Proposal

- 1) Tested program design being utilized by other three major electric utilities.
- 2) Can be run as piggyback or stand-alone.
- 3) Program design directly comparable to Electric Partnership Program (EPP); audit is less extensive. Savings of 1,775 kWh for homes using  $\leq 6,000$  kWh/year.
- 4) Provides comprehensive service to all-electric homes – 3,151 kWh/year.
- 5) Average cost per unit - \$1,000.
- 6) Average measures – 16 CFLs and refrigerator/freezer.
- 7) Program can be delivered on a neighborhood basis.

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## **Electric Energy Efficiency Program**

**Introduction** – Ohio Partners for Affordable Energy currently manages electric energy efficiency programs for American Electric Power – Ohio (AEP gridSMART Community Assistance Program); the Dayton Power and Light Company (Smart Energy Community Program); and, FirstEnergy Corporation (Community Connections). The basic program design was developed by FirstEnergy in 1998 and has been slightly modified since then. AEP and DP&L adopted the program design as a part of their Demand Side Management (DSM) programs. The program is similar to the Electric Partnership Program (EPP) which is managed by the Ohio Department of Development (ODOD) and is nationally recognized as an exemplary low income electric efficiency program. (Compendium of Champions – ACEEE – 2008).

**Program Description** – The program is divided into two components: baseload efficiency; and, weatherization, a whole-house efficiency approach designed for all-electric homes, or homes with significant electric heating or cooling loads. The program provides energy education to all participants. Customers are urged to eliminate second refrigerators or freezers, though there is no rebate to the customer.

**Baseload Efficiency** -- All units receive baseload services. These measures are delivered on a stand-alone basis or may be delivered in conjunction with weatherization services funded by federal or gas utility programs. Both single-family and multi-family residents are served. Homeowners and renters with incomes below 200% of the federal poverty line are eligible for service.

The standard mix of measures is 11 CFLs and an Energy Star refrigerator. Freezers can also be replaced. Smart strips were recently added to the list of program measures. Other baseload measures such as water pumps, sump pumps, water heaters are occasionally replaced. A water heater wrap is a more common measure. Efficiency measures not listed on the schedule of approved measures may be replaced if they pass a NEAT audit establishing a Savings to Investment Ratio (SIR) of greater than 1. The Schedules are attached.

**Weatherization** – All-electric homes or homes with significant electric heating and/or cooling loads receive comprehensive shell insulation along with baseload measures. Shell measures include blower-door guided air sealing, and attic and sidewall insulation.

**Evaluation** -- This program design has not been subjected to a thorough evaluation. However, EPP – which provides a virtually identical mix of measures – has been repeatedly evaluated over the last decade. The most recent evaluation, completed in 2009, provides details on the energy savings. (See Attachment.) The evaluation divides the customers into three groups and provides a mix of measures as follows:

- Moderate Use Baseload Program – annual baseload usage of between 4,000 and 6,000 kWh/year.
  - Mix of Measures (avg.) – 9.4 CFLs; 0.57 refrigerators; and, 0.15 freezers per participant.
  - Energy Savings – 695–772 kWh.
- High Use Baseload Program – greater than 6,000 kWh/year.
  - 15 CFLs; 0.61 refrigerators; and, 0.21 freezers per participant.
  - Energy Savings – 1,615-1,775 kWh.
- Targeted Energy Efficiency which covers homes electric heating and cooling loads of greater than 6,000 kWh/year.
  - Shell and baseload measures.
  - Energy Savings – 2,913-3,151 kWh.

About half of the homes served under the Targeted Energy Efficiency Programs are mobile homes. About one-quarter of the Moderate Use recipients lived in apartments.

The EPP evaluations are based on in-field reviews and bill analysis. Deemed savings are not used in the calculations. Michael Blaznick, principal in the firm that has performed the evaluations, has observed that actual savings are approximately 65% of deemed savings.

Program Delivery – The baseload program is delivered by trained auditors or assessors. The home is given a walk-through inspection and there is a conversation with the client about usage habits, particularly how long various lights in the home are turned on per day. Based on that discussion, the auditor replaces the appropriate light bulbs with CFLs. The bulbs must be installed. Refrigerators and freezer are metered; any unit using greater than 3 kWh/hour are scheduled for replacement by a third-party vendor which is required to properly dispose of the unit(s) that are removed. The auditor concludes with an education session.

Homes with large heating and/or cooling electric usage are provided with comprehensive shell measures in addition to the baseload measures. The weatherization follows the protocols of Ohio's Weatherization Performance Standards (11<sup>th</sup> Edition).

Program Costs – The average cost per unit, based on the EPP evaluation and OPAE data are \$1,000 for High-Use units; \$750 for Moderate-Use units; and, \$2,000 for units receiving weatherization. Given that the average cost of shell measures is about \$4,500 per unit, the lower number generated by the program indicates that either the units are mobile homes or the costs of weatherization are being shared among several programs.