BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

| In the Matter of the Application of Duke Energy |) | |
|---|---|-------------------------|
| Ohio, Inc., for Approval to Continue Cost |) | Case No. 14-1580-EL-RDR |
| Recovery Mechanism for Energy Efficiency |) | |
| Programs through 2016. |) | |

MOTION TO INTERVENE BY PEOPLE WORKING COOPERATIVELY, INC.

People Working Cooperatively, Inc. ("PWC") hereby respectfully moves to intervene in this case pursuant to R.C.4903.221 and Ohio Admin. Code 4901-1-11, for the reasons set forth in the Memorandum in Support, attached hereto.

Respectfully submitted on behalf of

PEOPLE WORKING COOPERATIVELY, INC.

Andrew J. Sonderman (0008610) Margeaux Kimbrough (0085152) Kegler Brown Hill & Ritter LPA

Capitol Square, Suite 1800

65 East State Street

Columbus, Ohio 43215-4294 Telephone: (614) 462-5400

Fax: (614) 464-2634

asonderman@keglerbrown.com mkimbrough@keglerbrown.com

MEMORANDUM IN SUPPORT

PWC is a non-profit organization that has served consumers in the Duke Energy-Ohio ("Duke Energy") service territory for over thirty-nine years by providing "whole house" weatherization and energy management services to low-income residential electricity consumers served by Duke Energy. It owns and maintains the necessary tools and equipment to deliver its services and employs a full-time staff of skilled construction and administrative personnel, both of which greatly enhance PWC's ability to provide excellent and cost-efficient services to its clients. Although not a large organization compared with many for-profit concerns, PWC is the largest provider of these essential services in Duke Energy's service territory, or in Ohio as a whole. Duke Energy's funding is critically important to PWC to leverage contributions from various other sources, including government agencies, foundations, businesses and individuals, in the Duke Energy service territory.

PWC's mission is to provide essential home repairs and services so that low-income homeowners, who are often also elderly and/or living with mobility issues, can remain in their homes; enjoy the opportunity to better control their heating and cooling costs and pay their electric bills; and live independently in a safe and sound environment. The preservation and enhancement of this community infrastructure and occupancy of PWC's clients' homes provides the community at large with direct and acknowledged benefits. Essentially, the provision of proper weatherization services gives PWC's clients the capability of lowering their energy bills. Upon information and belief, PIPP participation in Duke Energy's service territory compares favorably with the rate of PIPP participation of other Ohio EDU's. While

many factors undoubtedly influence this result, the weatherization and energy efficiency measures installed by PWC have played a role in helping low income customers avoid PIIPP or to graduate from PIPP. All funding that PWC attracts is used for the provision of these services for its low-income residential electric and gas company clients.

PWC has been a regular intervenor in the electric cases of Duke Energy, including its first ESP proceeding, Case No. 08-790-EL-SSO, its more recent MRO, Case No. 10-2586-EL-SSO, its most recent ESP cases, 11-3549-EL-SSO and 14-0841-EL-SSO, and the most recent electric and gas rate applications of Duke Energy, Case Nos. 12-1682-EL-AIR and 12-1685-GA-AIR. PWC participation in the Duke Energy cases began with Duke Energy's electric transition plan proceeding, Case No. 99-1658-EL-ETP, in which PWC signed a stipulation that was accepted by the Commission that made provision for continued funding from Duke Energy's predecessor company for weatherization programs during the period of the Commission's order in that proceeding. Since then, subsequent cases have included Duke Energy commitments to fund energy efficiency and weatherization services through both shareholder funding and funding through base rates.

PWC notes that it signed and supported the Stipulation and Recommendation that was adopted as modified by the Commission in its Opinion and Order entered on August 15, 2012 approving the cost recovery mechanism, including the shared savings incentive mechanism that Duke Energy seeks to continue through the end of its current energy efficiency and peak demand reduction portfolio plan in this proceeding.¹ In granting PWC's motion to intervene in that proceeding the Commission has recognized PWC's qualification under the requirements

¹ In the Matter of the Application of Duke Energy Ohio, Inc. for an Energy Efficiency Cost Recovery Mechanism and for Approval of Additional Programs for Inclusion in its Existing Portfolio (Stipulation and Recommendation, November 11, 2011).

of R.C. 4903.221 to participate in this proceeding which involves the shared savings incentive mechanism approved in that proceeding.

PWC meets the standards set forth in both the statute and the Commission's rules for intervention in this matter. It is, as described in R.C. 4903.221, a "person who may be adversely affected" by this proceeding insofar as any outcome in this proceeding may directly and indirectly affect Duke Energy's incentive to promote the energy efficiency and weatherization services PWC provides to low-income residential electric service consumers. PWC submits that its core consumer group, low-income residential electric service consumers, significantly benefit from the utilization of such services. PWC seeks leave to intervene in these proceedings to assure that Duke Energy, as anticipated in the Opinion and Order adopting the Stipulation in Case NO. 11-4393-EL-RDR, continues vigorously promote the implementation of robust and efficacious energy management, weatherization and DSM programs for residential consumers in Duke Energy's service territory, including PWC's clients. PWC submits that the vitality of these weatherization programs is more critical now than ever in light of the recent enactment of S. B. 310, which maintains the status quo pending further study of targets for generation sourced through renewable energy and solar energy. Given the scheduled retirement of coal-fired generation, conservation measures for low income consumers, in aging housing stock most in need of such measures, must play a continued and expanding role in demand side management.

PWC notes that, for these reasons and pursuant to that Stipulation and Recommendation, it participated in discussions with other signatories to seek agreement on the continuation of the incentive mechanism for 2016, the remaining year of the five year portfolio. For the record, PWC notes that it supported the continuation of the incentive mechanism as part of the existing cost

recovery mechanism in those discussions, as did a number of signatories. PWC notes further that per the Commission's Opinion and Order in Case No. 13-431-EL-POR² the mechanism for recovering costs "including recovery of prudent program costs incurred, lost distribution revenues and an incentive mechanism, shall expire at the end of 2015, as controlled by the stipulation in the 2011 Portfolio Case." Read literally, this means that the entire cost recovery mechanism—not just the incentive mechanism component—will expire at year end 2015 if not extended through the remaining year of the portfolio, 2016.

PWC suggests that in this proceeding the interested parties should continue their dialog regarding the shared savings incentive component of portfolio cost recovery, and notes the issues identified by the Office of Consumers' Counsel in its Motion to Intervene may furnish a starting point for those discussions.

Insofar as PWC's intervention meets the criteria of Section 4903.221, it satisfies the standards set forth in the Commission's rule for intervention contained in O.A.C. Rule 4901-1-11, including that its motion is timely and is made by a person with a real and substantial interest in the outcome of this proceeding. For the foregoing reasons, PWC requests that the Commission grant its request to intervene.

Respectfully submitted on behalf of PEOPLE WORKING COOPERATIVELY, INC.

Andrew J. Sonderman (0008610) Margeaux Kimbrough (0085152) Kegler Brown Hill & Ritter LPA Capitol Square, Suite 1800

65 East State Street

² In the Matter of the Application of Duke Energy Ohio, Inc. for Approval of its Energy Efficiency and Peakdemand Reduction Portfolio (Opinion and Order entered on December 4, 2013, p. 6)

Columbus, Ohio 43215-4294 Telephone: (614) 462-5400 Fax: (614) 464-2634

asonderman@keglerbrown.com mkimbrough@keglerbrown.com

CERTIFICATE OF SERVICE

ndrew J. Sonderman

Amy B. Spiller
Elizabeth H. Watts
Assistant General Counsel
Duke Energy Ohio, Inc.
155 E Broad St., Floor 21
Columbus, OH 43215-3629
Amy.spiller@duke-energy.com
Elizabeth.watts@duke-energy.com

Devin D. Parram Assistant Attorney General Public Utilities Commission Of Ohio 180 E Broad St., Floor 6 Columbus, OH 43215-3763 devin.parram@puc.state.oh.us David C. Rinebolt Colleen L. Mooney Ohio Partners for Affordable Energy 231 West Lima St. Findlay, Ohio 45840 <u>drinebolt@ohiopartners.org</u> cmooney@ohiopartners.org

Attorney Examiners:
Christine Pirik
Nicholas Walstra
Christine.pirik@puc.state.oh.us
Nicholas.walstra@puc.state.oh.us

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

10/27/2014 11:21:31 AM

in

Case No(s). 14-1580-EL-RDR

Summary: Motion Motion To Intervene and Memorandum in Support of People Working Cooperatively, Inc. electronically filed by Mr. Andrew J Sonderman on behalf of People Working Cooperatively, inc.