

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke     )  
Energy Ohio, Inc., for Authority to         ) Case No. 14-0075-EL-POR  
Establish an Energy Efficiency Pilot         )  
Program.   )

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**COMMENTS  
BY  
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

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**I. INTRODUCTION**

On January 13, 2014, Duke filed an Application for approval of a new energy efficiency pilot program (hereinafter, “Duke/GCEA pilot program”) that is intended to assess whether co-marketing and coordinating Duke’s Residential Smart\$aver Program with Greater Cincinnati Energy Alliance’s (“GCEA”) energy efficiency investments (including leveraging GCEA’s GC-Help financing program) will result in a higher customer adoption of energy efficiency measures.<sup>1</sup> Duke’s Residential Smart\$aver program provides financial incentives for residential customers to perform energy efficiency improvements to their homes.<sup>2</sup>

Similarly, GCEA works to incent residential energy efficiency investments in the greater Cincinnati area through low-cost financing.<sup>3</sup> If approved, the Duke/GCEA pilot program will be available in two counties within Duke’s service territory (Warren and Clermont) in order to determine the potential value for customers should Duke’s

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<sup>1</sup> Application to Establish an Energy Efficiency Pilot Program, at pp. 3-5 (Jan. 13, 2014).

<sup>2</sup> *See*, Id. at 2.

<sup>3</sup> *See*, Id. at 3.

Residential SmartSaver Program be co-marketed with GCEA's low-cost financing program.<sup>4</sup>

Pursuant to the PUCO-approved Stipulation and Recommendation in Case No. 13-431-EL-POR, Duke and GCEA have met to discuss options for coordinating their efforts to leverage existing resources and increasing overall customer participation in available energy efficiency programs offered by Duke.<sup>5</sup> Duke now requests approval of the Duke/GCEA pilot program "that was developed in the course of these discussion[s]," as well as the associated "cost [collection from customers]."<sup>6</sup>

On January 9, 2015, the Attorney Examiner issued a procedural schedule calling for comments of interested parties to be filed on January 27, 2015. The Office of the Ohio Consumers' Counsel ("OCC") welcomes the opportunity to file comments on behalf of Duke's 618,000 residential customers.

## **II. COMMENTS**

### **A. Duke's proposed co-marketing pilot program costs should be limited.**

First, OCC does not oppose approval of the Duke/GCEA pilot program. But OCC would note a matter based on Duke's responses to OCC's First Set of Interrogatories and Requests for Production of Documents. There, Duke stated that the incremental costs to customers for the pilot program (i.e. charges on top of those that customers are already paying for Duke's energy efficiency programs) are expected to be less than \$10,000.<sup>7</sup>

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<sup>4</sup> See, Id.

<sup>5</sup> See, Id.

<sup>6</sup> See, Id. at 2.

<sup>7</sup> See, OCC Attachment 1 (OCC INT-01-003).

The incremental costs are attributed to “printing of the collateral and trade ally sessions” for the joint marketing materials.<sup>8</sup> If the PUCO approves the Duke/GCEA pilot program, OCC recommends that the PUCO ensure that any incremental costs to customers are minimal (not exceeding \$10,000). Duke’s customers are already being charged for program costs through Duke’s Smart\$aver program as set forth in the 13-431-EL-POR Stipulation, which was approved by the PUCO.

**B. Any future expansion of the co-marketing pilot program should be subject to PUCO approval, and only considered after a process that includes Duke’s reporting to the PUCO and stakeholders on the results of the pilot program.**

Duke states in its Application that if the Duke/GCEA pilot program proves to be successful, Duke will expand its co-marketing efforts across the entire Duke service territory.<sup>9</sup> Duke proposed that success be measured based on analyzing three metrics: 1) program participation, 2) energy impacts per project/participant, and 3) investment per project/participant.<sup>10</sup> But the PUCO should be afforded the opportunity to determine whether or not expansion of the program into the rest of Duke’s service territory is appropriate. Therefore, any approval of Duke’s co-marketing pilot program should adopt Duke’s commitment to provide updates to the Duke Energy Efficiency Collaborative on the Duke/GCEA pilot program.<sup>11</sup> And such a ruling should require a Duke commitment to file a report with the PUCO at the conclusion of the program to discuss the outcome and any recommendations for the PUCO to consider continuation and expansion.<sup>12</sup>

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<sup>8</sup> See, OCC Attachment 2 (OCC-INT-01-002).

<sup>9</sup> See, Id. at 5-6.

<sup>10</sup> See, Id. at 5.

<sup>11</sup> See, Id.

<sup>12</sup> See, Id.

In addition, the Utility should include in its report a projection of any incremental costs to consumers, as well as the benefits received by consumers, of expanding the Duke/GCEA pilot program (if that is in fact the Utility's recommendation to the PUCO). Moreover, OCC recommends that the PUCO not consider expanding the Duke/GCEA pilot program across Duke's service territory unless Duke files a new Application seeking such authority.

### **III. CONCLUSION**

The PUCO should ensure that any incremental costs to customers that result from approving the GCEA/Duke pilot program are capped at \$10,000, consistent with Duke's estimate provided to OCC in discovery. And the Utility should only be allowed to expand the Duke/GCEA Pilot Program if it files an Application and the PUCO approves it. Duke should include in its status report the projected costs to customers, as well as customer benefits, of expanding the Duke/GCEA pilot program across Duke's service territory, if the Utility ultimately seeks PUCO approval for program expansion.

Respectfully submitted,

BRUCE J. WESTON  
OHIO CONSUMERS' COUNSEL

/s/ Michael J. Schuler

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### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of this Comments were served on the persons stated below via electronic service this 27<sup>th</sup> day of January, 2015.

/s/ Michael J. Schuler

Michael J. Schuler

Assistant Consumers' Counsel

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**Duke Energy Ohio  
Case No. 14-75-EL-POR  
OCC First Set of Interrogatories  
Date Received: February 24, 2014**

**OCC-INT-01-003**

**REQUEST:**

Please provide an estimate of Duke's share of the costs associated with the joint marketing materials.

**RESPONSE:**

Duke Energy Ohio and Greater Cincinnati Energy Alliance have not confirmed the split in joint marketing costs. As stated in INT-2, Duke Energy expects the Company's costs to be less than \$10,000. There should be no additional cost incurred for mailing as the collateral will be sent regardless of the pilot program as the normal marketing strategy.

**PERSON RESPONSIBLE: Trisha Haemmerle**

**Duke Energy Ohio  
Case No. 14-75-EL-POR  
OCC First Set of Interrogatories  
Date Received: February 24, 2014**

**OCC-INT-01-002**

**REQUEST:**

Please provide an estimate of the cost of the joint marketing materials that will be used to promote the proposed pilot program.

**RESPONSE:**

The incremental costs should be minimal for the joint marketing materials. As stated in INT-1, the intent is to simply modify existing marketing materials to include the GC-HELP information. The cost incurred for the Company will be for printing of the collateral and trade ally training sessions and are expected to be less than \$10,000.

**PERSON RESPONSIBLE: Trisha Haemmerle**



**This foregoing document was electronically filed with the Public Utilities**

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**Case No(s). 14-0075-EL-POR**

Summary: Comments Comments by the Office of the Ohio Consumers' Counsel electronically filed by Ms. Deb J. Bingham on behalf of Schuler, Michael J.