

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Pike)
Natural Gas Company for Approval of an) Case No. 08-941-GA-ALT
Alternative Rate Plan Proposing a)
Revenue Decoupling Mechanism.)

**JOINT REPLY COMMENTS OF PIKE NATURAL GAS COMPANY AND OHIO
PARTNERS FOR AFFORDABLE ENERGY
REGARDING DSM**

Pike Natural Gas Company and Ohio Partners for Affordable Energy (“OPAE”) presents these joint reply comments for the Commission’s consideration regarding the use of accrued funds under its demand side management program. Both Pike and the Ohio Partners for Affordable Energy (“OPAE”) have recommended that the Commission continue the DSM program and reactivate the DSM rider.

In its initial comments, Pike also proposed procedures to help the DSM program to operate more efficiently and avoid unintended consequences with certain requirements added to the program. Specifically, Pike proposed that:

- (1) Prior to the start of a DSM-funded project at a property not owned by the Pike customer residing in the property, OPAE will obtain from the owner of the property as a condition of the project being funded with DSM monies, at least one of the following:
 - (a) An agreement from the owner not to raise the rent for the property for a minimum of 5 years; or
 - (b) A reasonable contribution to the costs of the project. This contribution may be in the form of cash or “sweat equity.”

- (2) Prior to start of a DSM-funded project involving a property owned by the Pike customer residing in the property, OPAE will obtain from the owner of the property as a condition of the project being funded with DSM monies an agreement that the property owner will reimburse the DSM funds if the property is either sold or converted to a rental property within 3 years.
- (3) Prior to the start of a DSM-funded project, OPAE will attempt in good faith to coordinate all other available funding sources, including other low-income customer assistance plans and other utility DSM programs, to assist in the funding of the costs of the project and report those efforts to Pike.
- (4) OPAE will provide the resident of the property being improved a breakdown of all improvements made and the costs of the improvements, the agreements entered into (no rent increase, full reimbursement if the property is sold or converted, etc.) and will provide documentation communicating to the resident that the improvements were provided by the generosity of Pike and its customers through the DSM program.

After discussions between both parties, Pike and OPAE both recommend adoption of Pike's proposal subject to revising the first part of the recommended requirements to be:

Prior to the start of a DSM-funded project at a property not owned by the Pike customer residing in the property, OPAE will obtain from the owner of the property as a condition of the project being funded with DSM monies, at least one of the following:

- (a) An agreement from the owner not to raise the rent for the property for a minimum of **3** years; or
- (b) A reasonable contribution to the costs of the project, **as negotiated by the OPAE member agency**. This contribution may be in the form of cash or "sweat equity."

Both Pike and OPAE believe the DSM program should continue in Pike's service territory, but with procedures in place that ensure the benefits of the program are fully realized as well as reporting of completed projects. Pike and OPAE, through these joint

reply comments, respectfully request that the Commission accept Pike's initial comments as revised herein.

Respectfully submitted,

/s/Christopher J. Allwein per authorization

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Respectfully submitted,

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CERTIFICATE OF SERVICE

The Public Utilities Commission of Ohio's electronic filing system will electronically serve a copy of this Proposed Plan on all parties on the service list of the docket card who have electronically subscribed to the case. In addition, the undersigned hereby certifies that a true and accurate courtesy copy of the foregoing document is also being served (via electronic mail) on this 12th day of September 2018.

/s/ Michael J. Settineri
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This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

9/12/2018 2:39:52 PM

in

Case No(s). 08-0941-GA-ALT

Summary: Comments - Joint Reply Comments Regarding DSM electronically filed by Mr. Michael J. Settineri on behalf of Pike Natural Gas Company