

In the Matter of the Application of the)
East Ohio Gas Company d/b/a Dominion) Case No. 21-1109-GA-ALT
Energy Ohio for Approval of an)
Alternative Form of Regulation.)

**INITIAL POST-HEARING BRIEF
BY
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TABLE OF CONTENTS

	PAGE
I. INTRODUCTION	1
II. BACKGROUND	3
A. Summary of Dominion’s Proposal.....	3
B. Summary of Staff Report	4
C. Summary of OCC Pre-Filed Witness Testimony.....	4
D. Summary of Dominion Hearing Testimony	5
III. RECOMMENDATIONS	7
A. The PUCO should require Dominion to provide a more transparent accounting of leveraged funds for Dominion’s low-income program.....	7
B. The PUCO should not approve Dominion’s application for continuation and expansion of DSM/EE programs for non-low-income consumers. The PUCO should require Dominion, upon the completion of the existing non- low-income DSM EE programs, to file a final report and rider reconciliation.....	8
1. Natural gas DSM/EE programs provide fewer benefits than electricity DSM/EE programs because the natural gas DSM/EE programs do not provide systemwide benefits.....	11
2. Dominion’s non-low-income DSM/EE programs do not provide significant benefits because so few consumers enroll in the programs.	12
3. Dominion’s proposal to continue and expand its non-low-income DSM/EE programs is unjust and unreasonable.	14
C. The PUCO should hold a workshop for gas and electric utilities on the Pay as You Save (PAYS®) program.	16
IV. CONCLUSION.....	18

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

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I. INTRODUCTION

Dominion spends \$4 million annually for its DSM/EE programs to non-low-income residential consumers and charges them through its DSM Rider. Dominion proposes to offer new DSM/EE programs to residential consumers and increase total DSM/EE program spending from its current budget of \$9.5 million annually to 14.6 million in 2023 with additional increases up to \$20.4 million annually in Year Five (2027)¹ – a 114% increase. The average annual increase in program would be 22%. Over the five-year period of the plan, Dominion would collect \$92 million DSM rider costs.²

In addition to these annual budget increases, Dominion also requests an automatic 3% annual increase in program spending each year after Year Five, without any PUCO pre-approval of the need for increased spending. This proposal is unjust and unreasonable, and the PUCO should reject it.

¹ Staff Report at 2 (March 29, 2022).

² OCC Exhibit 1, Direct Testimony of Colleen Shutrump (August 19, 2022) at 5-6.

The PUCO has ordered the electric utilities to wind down their DSM/EE programs and relied on R.C. 4928.02(N) in doing so.³ This statute sets forth the state policy that electric utilities' rates should facilitate the state's competitiveness in the global economy. Although not explicitly stated, it is quite obvious the intent is for all utilities' rates to facilitate the state's competitiveness, not just electric utilities. The Legislature has established a similar state policy for gas utilities under R.C. 4929.02(A)(8). As the PUCO relied on R.C. 4928.02(N) in ordering electric utilities to wind down their DSM/EE programs, the PUCO should similarly rely on R.C. 4929.02(A)(8) to reject Dominion's proposal to continue and expand its non-low-income residential DSM/EE programs. The PUCO should consider other options for non-low-income programs that do not require program subsidies, such as the Pay as you Save (PAYS®) program. Moreover, for their low-income program, Dominion should be required to provide upon request of OCC or the PUCO Staff, information regarding program expenses, audit findings and addresses where program funding is used.

DSM is at a crossroads in Ohio. House Bill 6 repealed mandatory energy efficiency standards in 2019. As a result, electric utilities were ordered to end their energy efficiency programs in 2020 because these programs were inconsistent with state policy to foster efficient rates to allow Ohio businesses to compete in the global economy.⁴ Gas utilities rely on R.C. 4929.02(A)(8) that requires promotion of effective

³ *In re Electric Distribution Utility DSM/EE Programs*, Case Nos. 16-574-EL-POR, 16-574-EL-POR, 16-574-EL-POR and 16-574-EL-POR (Finding and Order) (February 26, 2020).

⁴ *Id.*

competition.⁵ And the PUCO should rely on this state policy to reject Dominion's proposal to continue and expand its non-low-income residential DSM/EE programs.

II. BACKGROUND

A. Summary of Dominion's Proposal.

Dominion currently spends up to \$9.5 million annually for DSM/EE programs. This budget consists of \$5.5 million for low-income DSM/EE programs, which Dominion collects from consumers in base rates plus an additional \$4 million, which Dominion collects from consumers through its DSM/EE Rider.⁶ Dominion proposes to increase DSM/EE spending to \$14.6 million in Year One (2023) with additional increases up to \$20.4 million annually by Year Five (2027) of the programs.⁷ Over the five-year period of the plan, Dominion would collect \$92 million DSM rider costs.⁸

In addition to an estimated \$45 million increase (\$45 million is the difference between the \$92 million Dominion proposes to spend and the \$47.5 million they spend currently),⁹ Dominion proposes that the DSM rider would increase by an additional 3% annually.¹⁰ The annual 3% increases would be

⁵ R.C. 4929.02(A)(8).

⁶ Staff Exhibit 2 (Staff Report) at 2 (March 29, 2022).

⁷ *Id.*; *See*, DEO Exhibit 1.0, Direct Testimony of Ella R. Hochstetler (November 30, 2021).

⁸ OCC Exhibit 1 (Shutrump Direct) at 5-6.

⁹ \$92 million minus \$47 million is \$45 million over five years. Existing programs are funded at \$9.5 million annually consisting of \$5.5 million in base rates for the low-income weatherization Housewarming program and \$4 million annually collected through the DSM rider for their non-low-income program (\$9.5 mill * 5 years is \$47.5 mill) for existing programs compared to \$92,033,190 for the new program.

¹⁰ Application at 2 (November 30, 2021).

automatic with no pre-approval needed.¹¹ The automatic annual 3% increases would continue until the next PUCO order modifying Dominion's DSM/EE rider.¹²

B. Summary of Staff Report

The Staff Report concluded that Dominion's proposal was not reasonable because, when the Staff Report was prepared, the PUCO was holding workshops to evaluate the future role of energy efficiency in Ohio.¹³

C. Summary of OCC Pre-Filed Witness Testimony

OCC's expert witness Colleen Shutrump testified that Dominion's proposal is unjust and unreasonable because the DSM/EE charges represent a subsidy paid by all of Dominion's customers including those that don't participate in programs and don't receive energy efficiency benefits.¹⁴ Moreover, consumers can access energy efficiency in the competitive market at competitive prices.¹⁵ A competitive market is not defined by the energy savings realized by consumer-paid subsidies to monopoly utilities.¹⁶ Instead, it is defined by virtue of many producers of products, many retailers selling those products, and consumers who demand those products.¹⁷ OCC witness Shutrump explained in her testimony that "The competitive market for energy efficiency products and services has provided consumers with 300 million ENERGY STAR certified products in 2020."¹⁸

¹¹ *Id.*

¹² *Id.*

¹³ Staff Report at 3-4 (March 29, 2022).

¹⁴ OCC Exhibit 1 (Shutrump Direct) at 5.

¹⁵ OCC Ex. 1 (Shutrump Direct) at 3; Tr. at 70-76.

¹⁶ Tr. at 68.

¹⁷ *Id.*

¹⁸ Tr. at 69-70.

Ms. Shutrump supported her testimony on cross-examination, by providing evidence that a sufficient competitive market exists in Dominion's service territory.¹⁹ When a consumer registers for an account on the ENERGY STAR website, they can search for a high efficiency gas water heaters by zip-code.²⁰ The search will result in the number of products available in that zip-code, the number of retailers selling that product in that zip-code, and the number of installers in that zip-code.²¹

And for low-income consumers, costs for Dominion's Housewarming program are increasing. Dominion's Housewarming proposal includes \$5.5 million in base rates and Dominion collects any additional funding through the DSM rider. But program costs are increasing to as high as \$10,097 per home from July-November of 2021. Moreover, as OCC witness Shutrump explained in her testimony, Dominion does not (but should have) provide a description and analysis of how Housewarming funds will be used in conjunction with programs that coordinate with and contribute funds to low-income weatherization services.²² Consumers' share of low-income program funding relative to other funding sources should be more transparent. Dominion's proposal should be modified to include a transparent accounting of program costs and leveraged funds.

D. Summary of Dominion Hearing Testimony

On cross-examination, Dominion's witness²³ acknowledged several reasons for the automatic 3% annual increase in total budgeted DSM/EE spending after year

¹⁹ Tr. at 71-72.

²⁰ *Id.*

²¹ *Id.*

²² OCC Exhibit 1 (Shutrump Direct) at 9.

²³ *See, also*, DEO Exhibit 4.0, Supplemental Direct Testimony of Ella R. Hochstetler (August 19, 2022).

five.²⁴ The rationale included allowing Dominion to account for inflation, changes in market conditions and/or technology, as well as unforeseen circumstances.²⁵

However, the witness also admitted that “changes could occur within five years” which would potentially lead to decreases in program costs.²⁶ The rate of inflation could be lower than it is currently, and technology changes could lead to lower costs.

Dominion’s witness testified that the utility is “not requesting a change in the process with the PUCO,” and that “we are intending to put this additional spend in that annual rider filing.”²⁷ However, the witness claimed no knowledge of the PUCO’s practice to not allow an automatic increase without PUCO annual preapproval of the new spending.²⁸ On cross-examination, Dominion’s witness acknowledged that the 3% automatic annual increase would not be subject to preapproval.²⁹ The witness disagreed with the idea that Dominion should obtain preapproval from the PUCO for every spending increase.³⁰ Instead, the witness

²⁴ Tr. at 17-18.

²⁵ *Id.*

²⁶ Tr. at 18-19.

²⁷ Tr. at 22.

²⁸ *Id.*; Tr. at 21.

²⁹ *See*, Tr. at 21. (Question: “But there would not be an annual PUCO preapproval oversight of these 3 percent automatic annual increases.” Answer: “It is—it is not a preapproval process.”).

³⁰ Tr. at 60-61.

characterized the automatic 3% annual increase as a “cap,” not requiring PUCO approval.³¹

This is contrary to PUCO and proper ratemaking practice. As OCC witness Shutrump points out, approving an automatic 3% annual increase would relieve Dominion of its burden of proof to demonstrate that such increases are just and reasonable in any given year.³² And this automatic increase would not be consistent with the PUCO’s directives that Dominion open a new docket each year and file an application to adjust its DSM rider rate and include supporting schedules, calculations, and proposed tariffs for PUCO review and approval.³³ In testimony and on cross-examination, Dominion’s witness stated that the annual automatic 3% increase in total budgeted DSM/EE spending after year five is just and reasonable.³⁴ The witness was unaware that an automatic 3% increase in program funding was contrary to PUCO practice.³⁵

III. RECOMMENDATIONS

A. The PUCO should require Dominion to provide a more transparent accounting of leveraged funds for Dominion’s low-income program.

Dominion proposes to continue their low-income program. Dominion’s Housewarming program proposal includes \$5.5 million in base rates. Dominion collects

³¹ *Id.*

³² OCC Exhibit 1 (Shutrump Direct) at 6.

³³ *Id.* at 6-7; *See also, In the Matter of the Audit of the Demand Side Management Rider of The East Ohio Gas Company d/b/a Dominion Energy Ohio*, Case No. 17-1372-GA-RDR, Finding and Order at 5 (August 2, 2017).

³⁴ Tr. at 28-29; DEO Exhibit 4.0 at 13.

³⁵ Tr. at 29.

any additional funding through the DSM rider. But program costs are increasing. For example, from July 2021-November 2021, the average cost per home was as high as \$10,097 for the month of August.³⁶ Additionally, Dominion does not provide a description and analysis of how Housewarming funds will be used in conjunction with the state's leveraged programs that coordinate with and contribute funds to low-income weatherization services.³⁷ The PUCO should direct Dominion to be more transparent in how utility consumer funding is accounted for relative to the eight leveraged programs.³⁸ And the PUCO should require Dominion to provide upon request of OCC or the PUCO Staff, information regarding program expenses, audit findings and addresses where program funding is used.

B. The PUCO should not approve Dominion's application for continuation and expansion of DSM/EE programs for non-low-income consumers. The PUCO should require Dominion, upon the completion of the existing non-low-income DSM EE programs, to file a final report and rider reconciliation.

R.C. 4905.70 requires the PUCO to "initiate programs that will promote and encourage conservation of energy and a reduction in the growth rate of energy consumption."³⁹ This statute applies to gas and electric utilities and the PUCO has relied on this statute in approving gas utilities' DSM/EE programs.⁴⁰ The PUCO can rely on

³⁶ OCC Exhibit 1 (Shutrump Direct) at 10.

³⁷ OCC Exhibit 1 (Shutrump Direct) at 9. Leveraged programs are Home Weatherization Assistance Program, Electrical Partnership Program, Cleveland Public Power Program, First Energy's Community Connections Program, Water Conservation/Water Repair Program, Plumbing and Sewer Repair, and the Northeast Ohio Regional Sewer District.

³⁸ *Id.*

³⁹ R.C. 4905.70.

⁴⁰ *In re Vectren Energy Delivery of Ohio DSM Case*, Case No. 19-2084-GA-UNC, Opinion and Order at ¶ 74 (February 24, 2021); *In re Columbia of Ohio DSM Case*, Case No. 16-1309-GA-UNC, Opinion and Order at ¶ 3 (December 21, 2016).

this statute to approve the continuation of Dominion’s existing low-income DSM/EE programs, which costs are embedded in Dominion’s base rates.

Ohio law established statutory mandates for electric utilities⁴¹ but the Legislature repealed this law in 2019 as part of House Bill 6.⁴² The Legislature simply repealed the energy efficiency *mandates*, so the PUCO could have allowed electric utilities to continue offering their DSM/EE *programs* under the PUCO’s authority granted by R.C. 4905.70. The PUCO did not take this approach. Instead, the PUCO recognized that by repealing R.C. 4928.66, the Legislature was stating its intent that electric DSM/EE programs in Ohio should be scaled down. The PUCO therefore ordered the electric utilities to wind down their DSM/EE programs.⁴³

In ordering the electric utilities to wind down their DSM/EE programs, the PUCO stated:

“As the Supreme Court of Ohio has stated numerous times, the Commission ‘is a creature of the General Assembly and may exercise no jurisdiction beyond that conferred by statute.’ *Penn Central Transportation Co. v. Pub. Util. Comm.*, 35 Ohio St.2d 97, 298 N.E.2d 97 (1973). In construing a statute, our paramount concern is legislative intent. In determining legislative intent, the Commission first looks to the plain language in the statute and the purpose to be accomplished. If the meaning of the statute is unambiguous and definite, it must be applied as written, and no further interpretation is necessary. *WorldCom, Inc. v. City of Toledo*, Case Nos. 02-3207-AU-PWC, 02-3210-EL-PWC, Opinion and Order (May 14, 2003), *citing State ex rel. Savarese v. Buckeye Local School Dist. Bd. of Ed.*, 74 Ohio St. 543, 660 N.E.2d 463 (1996).”

⁴¹ R.C. 4928.66, enacted as part of S.B. 221 (127th G.A.) (2008).

⁴² House Bill 6 (133rd G.A.) (effective October 22, 2019).

⁴³ *In re Electric Distribution Utility DSM/EE Programs*, Case Nos. 16-574-EL-POR, 16-574-EL-POR, 16-574-EL-POR and 16-574-EL-POR (Finding and Order) (February 26, 2020).

“Upon review, it is clear that the General Assembly envisioned significant adjustments to Ohio’s energy efficiency requirements when it passed H.B. 6 into law, and it is our duty, as the administrative agency overseeing the implementation of energy efficiency standards, to comport with, and effectuate, the General Assembly’s desired intent. After careful consideration of the language of the statute and the responsive comments submitted by interested stakeholders, we note that there is very little, if any, ambiguity in regard to the ultimate objectives of the General Assembly’s passage of this legislation. The amendments in H.B. 6 to both the renewable portfolio standards (RPS) and the energy efficiency provisions demonstrate the intent of the General Assembly to reduce the costs of these provisions to customers in order to facilitate the state’s effectiveness in the global economy. R.C. 4928.02(N).⁴⁴

Importantly, the PUCO relied on R.C. 4928.02(N) in ordering the electric utilities to wind down their DSM/EE programs. This statute set forth the state policy that electric utilities’ rates should facilitate the state’s competitiveness in the global economy. Although not explicitly stated, it is quite obvious the intent is for all utilities’ rates to facilitate the state’s competitiveness, not just electric utilities. The Legislature has established a similar state policy for gas utilities under R.C. 4929.02(A)(8). As the PUCO relied on R.C. 4928.02(N) in ordering electric utilities to wind down their DSM/EE programs, the PUCO should similarly rely on R.C. 4929.02(A)(8) to reject Dominion’s proposal to continue and expand its non-low-income residential DSM/EE programs.

⁴⁴ *Id.* at ¶¶ 41-42.

1. Natural gas DSM/EE programs provide fewer benefits than electricity DSM/EE programs because the natural gas DSM/EE programs do not provide systemwide benefits.

As the PUCO Staff has recognized, natural gas energy efficiency programs lack benefits for the general body of consumers.⁴⁵ In 2006, Staff witness Puican testified that charging customers for the cost of implementing natural gas DSM programs is not justified.⁴⁶ He explained that “this is not to say that such programs can't benefit individual customers, but rather as a general proposition, natural gas energy efficiency do not provide the type of system-wide benefits that justify a rider attached to all customer bills.”⁴⁷ The Staff witness explained that natural gas energy efficiency does not provide benefits such as the potential to spare consumers from having to pay for construction of more power plants, as can be possible with electric energy efficiency.⁴⁸

Now-- even more than was the case in 2006, when Staff witness Puican provided his testimony—the PUCO should adopt its former Staffer’s position. It would be very appropriate for the PUCO to question whether it is good public policy and equitable (fair) to Dominion’s consumers to compel them to pay for (subsidize) Dominion’s energy efficiency programs. In fact, it is not good public policy and is not equitable to consumers. Many of the consumers who subsidize Dominion’s energy efficiency programs do not personally benefit from their payments because they are not participants

⁴⁵ See, Case No. 05-1444-GA-UNC, Testimony of Stephen E. Puican on Behalf of the Staff of the Public Utilities Commission of Ohio (March 20, 2006) at 5.

⁴⁶ *Id.*

⁴⁷ *Id.*

⁴⁸ *Id.*

in Dominion's programs. And natural gas EE programs do not offer the system-wide benefits electric plans can provide.

As established on cross-examination, only a small percentage of Dominion's residential consumers participate in the utility's energy efficiency programs.⁴⁹ Dominion's consumers can and do⁵⁰ make rational decisions about purchasing energy efficiency measures on their own in the competitive market, without Dominion's involvement. It thus should be questioned and reassessed why all Dominion consumers are being made to subsidize its energy efficiency programs benefitting the few who participate, as Staff witness Puican testified sixteen years ago.

2. Dominion's non-low-income DSM/EE programs do not provide significant benefits because so few consumers enroll in the programs.

The small number of consumers participating in Dominion's programs does not justify continuing charges for non-participating consumers to subsidize the program.⁵¹ Most residential consumers are not participating in Dominion's Home Energy Assessment program, yet they must pay a charge on their bill to subsidize the relatively few consumers that do participate.⁵² From 2010-2019 (the last year before COVID-19 suspended energy efficiency programs), 98% of Dominion's residential consumers did not participate in the Home Energy Assessment program.⁵³ In other words, only 2% of Dominion's consumers enrolled in the Home Energy Audit over a ten-year period.⁵⁴

⁴⁹ Tr. at 30-34.

⁵⁰ Tr. at 44.

⁵¹ See OCC Exhibit 1 (Shutrump Direct) at 7-8.

⁵² *Id.*

⁵³ *Id.*

⁵⁴ See, e.g., Tr. at 30-31.

The Number of consumers participating in the Home Energy Assessment Program since 2010.⁵⁵

Program Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Number of Audits	155	3,015	3,815	4,229	3,459	2,123	1,886	2,340	1,189	3,512	25,723

In the competitive market for energy efficiency products and services, consumers do not pay a charge for a utility to incur program administration and marketing costs. Consumers can just go to their local home improvement store or on-line retailer and purchase these products. Dominion and OCC stipulated at the evidentiary hearing the cost of the Home Energy Audit Program.⁵⁶ The Stipulation reads as follows:

As set forth DEO Exhibit 2.1, the estimated cost of conducting a home audit as part of the Home Performance with ENERGY STAR program is \$259 per audit, which includes the estimated cost of direct installation of high-efficiency showerheads, faucet aerators, and water heater pipe wrap. The Home Performance with ENERGY STAR program requires a \$25 customer co-pay to receive the audit, so the utility program cost is \$234 per audit. OCC and Dominion agree there are additional, non-incentives costs such as program administration, management, and marketing that are not reflected in this number.

Dominion admitted that the costs of this project does not include the “additional, non-incentives costs such as program administration, management, and marketing that are not reflected in the \$234 cost per audit.” Without these additional costs included, Dominion’s pricing for the program is not wholly accurate or transparent because it did not assign any of the claimed marketing, administration, or management costs that are allegedly required for this program.

OCC’s expert Ms. Shutrump testified at the hearing about the Department of Energy’s fact sheet.⁵⁷ The Report found that 300 million ENERGY STAR products were

⁵⁵ OCC Exhibit 1 (Shutrump Direct) at 8.

⁵⁶ Tr. at 10-11.

⁵⁷ Tr. at 67-70.

purchased in the U.S. in 2020.⁵⁸ This is evidence that consumers have access to energy efficiency in the open market and do not need to rely on a utility.

The State of Ohio's Energy Policy under R.C. 4929.02 requires the promotion of competition in the competitive energy market. Moreover, the competitive providers have clear pricing. A consumer can see the exact cost of an energy efficiency product before purchasing it. This is not true for a utility run program. Consumers will have no way of confirming or discovering the true price of **Dominion's** proposed DSM/EE program without transparency.

3. Dominion's proposal to continue and expand its non-low-income DSM/EE programs is unjust and unreasonable.

As noted earlier, DSM is at a crossroads in Ohio. House Bill 6 repealed mandatory energy efficiency standards in 2019. As a result, electric utilities were ordered to end their electric DSM programs in 2020 because these programs were inconsistent with state policy to foster efficient rates to allow Ohio businesses to compete in the global economy.⁵⁹ A similar state policy exists for gas utilities.⁶⁰ The PUCO should rely on this state policy to reject Dominion's proposal to continue and expand its non-low-income residential DSM/EE programs.

Under R.C. 4929(A)(8), the state policy as to natural gas services and goods is to "promote effective competition in the provision of natural gas services and goods by avoiding subsidies flowing to or from regulated natural gas services and goods." The state policy goal of competition is thwarted by utility demand side management and

⁵⁸ Tr. at 67-68.

⁵⁹ *In re Electric Distribution Utility DSM/EE Programs*, Case Nos. 16-574-EL-POR, 16-574-EL-POR, 16-574-EL-POR and 16-574-EL-POR (Finding and Order) (February 26, 2020).

⁶⁰ *See*, R.C. 4929(A)(8).

energy efficiency programs because these programs represent an unfair advantage over competitive providers, including those providers in the marketplace. On cross-examination, Dominion's witness acknowledged that the marketplace is providing energy efficiency products and services.⁶¹

In addition to unfair competition, under R.C. 4929.02(A)(8) Dominion's provision of DSM/EE programs create unjust and unreasonable subsidies. Dominion's non-participating consumers pay for (subsidize) the utility's energy efficiency programs. This is not good public policy and is not equitable to consumers. Many of the consumers who subsidize Dominion's energy efficiency programs do not personally benefit from their payments because they are not participants in Dominion's programs. As established on cross-examination, only a small percentage of Dominion's residential consumers participate in the utility's energy efficiency programs.⁶² Moreover, the efficiency programs do not provide any system-wide benefits.

Additionally, consumer -funded subsidies for energy efficiency are no longer needed (if they ever were) because consumers can choose how efficient they want to be by purchasing or not purchasing efficient products in the competitive market. Eliminating subsidies promotes the regulatory policy of assigning costs to cost causers. It advances efficient rate structures and PUCO policy and practice where the persons causing the costs are assigned to pay the costs.

Finally, in addition to dramatic budget increases, Dominion also requests an automatic 3% annual increase in program spending each year—indefinitely--after Year

⁶¹ Tr. at 43-44.

⁶² Tr. at 30-34.

Five, without any PUCO pre-approval. Dominion would like this 3% yearly adder until such time as the utility files a subsequent application “to further increase DSM/EE funding.”⁶³ This proposal is unjust and unreasonable and contrary to PUCO practice.⁶⁴ The PUCO should reject it.

C. The PUCO should hold a workshop for gas and electric utilities on the Pay as You Save (PAYS®) program.

OCC expert witness Ms. Shutrump explained in her testimony about the benefits of the PAYS® program.⁶⁵ OCC recommends that the PUCO Staff to hold a workshop for gas and electric and interested stakeholders regarding the PAYS® program. The PAYS® program is an on-bill tariff program that allows customers to pay over-time (through a tarified charge) for energy efficiency improvements.⁶⁶ The PAYS® program differs from typical energy efficiency programs like the ones that have been offered in Ohio under the prior mandates.⁶⁷ For example, under the PAYS® program, participants can reduce their usage and save money, but they also pay their own way without subsidies from other consumers.⁶⁸ The PAYS® program does not involve making non-participating consumers subsidize these programs.⁶⁹

This is a much better way to provide energy efficient products and services to consumers. Energy efficiency programs that help consumers reduce their energy usage

⁶³ DEO Exhibit 1.0 at 5; Tr. at 16.

⁶⁴ See, *In the Matter of the Audit of the Demand Side Management Rider of The East Ohio Gas Company d/b/a Dominion Energy Ohio*, Case No. 17-1372-GA-RDR, Finding and Order at 5 (August 2, 2017).

⁶⁵ See OCC Exhibit 1 (Shutrump Direct) at 11.

⁶⁶ *Id.*

⁶⁷ *Id.*

⁶⁸ *Id.*

⁶⁹ *Id.*

and save money on their bill, without relying on consumer subsidies, should be considered for implementation to assist consumers with energy efficiency.⁷⁰ The PAYS® program has been used successfully in several states.⁷¹

Moreover, consumers who do not want to or cannot participate in programs do not subsidize the PAYS® program costs for those participating.⁷² And in a PAYS® program the general body of consumers is not paying utilities for profits or corporate welfare.⁷³ This is an important benefit for non-participating customers.

The PAYS® program might also make it easier for lower income consumers to benefit from energy efficiency. One challenge for lower income consumers is that energy efficient products and services can require significant upfront costs.⁷⁴ So even if these programs might save consumers' money in the long run, these consumers simply cannot bear the upfront cost.⁷⁵ A PAYS® program could be designed to minimize or avoid upfront costs altogether.⁷⁶ This provides for a more equitable adoption of energy efficiency improvements by low-income and moderate-income consumers.⁷⁷

Therefore, OCC recommends that the PUCO staff hold a workshop to consider a PAYS® program for gas and electric utilities in Ohio.

⁷⁰ *Id.*

⁷¹ *Id.*

⁷² *Id.*

⁷³ *Id.*

⁷⁴ *Id.*

⁷⁵ *Id.*

⁷⁶ *Id.*

⁷⁷ *Id.*

IV. CONCLUSION

Dominion's application should be rejected. Natural Gas DSM/EE programs violate important state policy goals promoting competition and reducing subsidies. The products and services that Dominion seek to promote are available in the marketplace. In addition, Dominion improperly requests an automatic 3% annual increase in program spending each year after Year Five, without any PUCO pre-approval of the need for increased spending. This proposal is unjust and unreasonable, and the PUCO should reject it.

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CERTIFICATE OF SERVICE

I hereby certify that a copy of this Initial Post-Hearing Brief was served on the persons stated below *via* electronic transmission, this 7th day of October 2022.

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Summary: Brief Initial Post-Hearing Brief by Office of the Ohio Consumers' Counsel
electronically filed by Mrs. Tracy J. Greene on behalf of Finnigan, John