

Layton, Kimberly

From: Weger, Kelly R [weger@purdue.edu]
Sent: Tuesday, May 27, 2014 8:34 AM
To: Comments, Urc
Cc: trushenberg@imaweb.com
Subject: Indiana's new DSM and EE program and policies

Good morning,

I appreciate the opportunity to share my own personal opinion on the state's DSM program. First, a little about my background in this area. I am a Registered Architect and LEED Accredited Professional, previously from the state of Michigan. I specialize in sustainable design, and have been working as an energy program manager since 2009. Prior to my recent move to Indiana, I was the Outreach Manager for the DTE Energy Commercial and Industrial Energy Efficiency Incentive Program, via Franklin Energy. I met with hundreds of businesses in metro Detroit, working with them to learn how their incentive program could better fit their needs.

On the topic of DSM, there is much to discuss. While I understand that Energizing Indiana was not meeting its goals, this is fairly rare, nationwide. One unsuccessful program does not mean that all of these programs cannot perform properly. Rather than throw the baby out with the bathwater, we need to think more critically about WHY this program was not meeting its goals.

I would like to focus on the opt-out program for now. This is something that is utilized in the Michigan program, both DTE and Consumers. The opt-out program means that large users, like Ford or University of Michigan, can choose to create their own internal program instead of paying the meter surcharge. This opt-out, or self-direct, option requires those users to create an efficiency program, monitor and record savings, and report back to the MPSC. They can essentially create their own incentives, without being restricted by the current list of prescriptive items, or the rules restricting custom incentives. However, in the years since 2009, when the Michigan program took effect, only a handful of companies have elected to opt-out. After the first 2-3 years, most of those ended up deciding to opt back in. Why? Because they were simply not getting the savings they were hoping for, and it took the external incentive to get them to act. The efficiencies gained in reporting en masse to the MPSC were also lost for those who opted out.

I personally worked with the University of Michigan to help them to re-establish themselves when they chose to opt back into the program in 2013. We gained significant incentives for them, and they seemed to appreciate the value of the program in getting large entities to act. I've seen the opt-out programs work, not because it's more beneficial to opt-out, but because they were given a *choice*, which makes all the difference in the world.

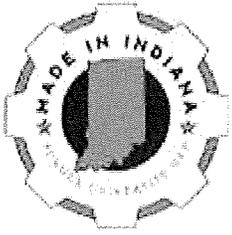
As a new Indiana resident, I am not familiar enough with the failed program to understand exactly why it was not meeting goals. I appreciate that you are taking the time to troubleshoot and analyze the root causes. I hope that my comments are helpful for you, and wish you the best of luck. I strongly believe that these programs play a critical role in not only raising awareness, but increasing efficiency gains and maintaining our production demand levels.

Thanks, and have a great day!

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