Summary of Written Comments – Alphabetical.

Background:

On April 9, 2014, the Commission issued General Administrative Order ("GAO") 2014-1. This GAO explained the process through which public comments should be submitted to the Commission for consideration when developing recommendations regarding demand side management ("DSM") and energy efficiency ("EE") policies and programs leading up to the 2015 session of the Indiana General Assembly. Specifically, the Governor asked the IURC to address the following issues:

1. Include appropriate energy efficiency goals for Indiana ("Issue 1");
2. Reflect an examination of the overall effectiveness of current DSM programs in the state ("Issue 2");
3. Reflect any and all issues that may improve current DSM programs ("Issue 3");
4. Reflect a thorough benefit-cost analysis of the cost impact to ratepayers of possible DSM programs ("Issue 4"); and
5. Allow for an opt-out whereby-large electricity consumers can decide not to participate in a DSM program ("Issue 5").

This Appendix serves as a summary of the comments received by the Commission. All comments are available for public viewing at this link.

Alphabetical Summary of Individual Responses

An alphabetical summary of the individual[1] public comments provided are as follows below.

Advanced Energy Economy (AEE) (by Tom Plant)

On June 8, 2014, Advanced Energy Economy (AEE) submitted via e-mail their comments. AEE submitted 13 recommendations on behalf of the energy efficiency companies that comprise their membership. After providing an introduction outlining the purpose of their organization, AEE focused on Issues 3, 4, and 5.

AEE Response to Issue 3

- AEE believes that utility investments in EE programs are good for the state and the utility's ratepayers. As evidence of this, AEE referenced three separate reports. Specifically, an "American Council for an Energy-Efficient Economy (ACEEE) estimated that a 1.5% annual energy efficiency standard in Indiana, implemented cost-effectively, would drop demand by over 5,800 GWh/year by 2020. This would reduce

[1] Due to the voluminous amount of public comments and redundant nature of many of the comments made, substantially similar or repeated responses are summarized in this Appendix in order to provide a concise and economical record.

customer bills substantially while avoiding future generation costs." AEE goes on to state that it is important for the Commission to send a signal to businesses regarding the 2015 EE/DSM programs that will allow the such businesses to retain their investments and workforce in the state.

- AEE went on to recommend that "[t]o ensure continuity in program delivery, customer engagement and private industry investment, the IURC should expedite approval of regulatory filings aimed at continuing EE/DSM programs in 2015. The goal should be to complete approvals by September 1, 2014, to minimize disruption among consumers and market providers by allowing program implementation contractors sufficient time to transition and/or startup programs.
- AEE also recommends that the Commission hire an experienced, impartial 3rd party to conduct "a rigorous assessment of the market potential for cost effective energy efficiency programs in Indiana."
- Based on its experience, AEE further recommends the development of a well-defined binding target for cost effective energy efficiency deployment.
- Additionally, AEE recommends either copying or expanding the natural gas DSM oversight board model to include electricity.
- AEE also recommends including risk mitigation in IRP investment decisions, in order for the Commission to "ensure they are performing their fiduciary duty to not only choose the least cost resource, but also mitigate consumer risk of increasing energy costs in the future."
- AEE recommends establishing lifecycle savings goals as well as annual incremental goals within the DSM portfolio.
- AEE also believes that the Commission should establish incentives "including lost revenue recovery plus a bonus structure that rewards the utility and their investors for achieving, and exceeding, energy efficiency goals. The AEE states that these bonus objectives should be "to make energy efficiency investments attractive for the utility business model."

AEE Response to Issue 4

- AEE believes that the "cost effectiveness test is one of the most important tools to ensure Indiana's ratepayers are getting the best value for their investments in all resources, including energy efficiency." In light of SEA 340, AEE feels that the legislature is suggesting a move away from the Total Resource Cost (TRC) test and toward a cost-benefit test, such as the Program Administrator Cost (PAC) test or a Levelized Cost of Saved Energy (CSE) test. AEE would support such a suggestion and that the Commission adopt either the PAC or CSE cost-effectiveness tests for its DSM programs.
- AEE also recommends that the Commission should consider a "pathway toward market adoption for technologies that the commission determines may show technological

promise but may not currently meet cost effectiveness tests" in order to promote continued innovation and investment in Indiana.

- Additionally, AEE recommends allocating costs based on "the proportion of benefits associated with each fuel type to maximize the deployment and investment in energy efficiency technologies that show impacts in both the electric and the gas sectors, and ensures an equitable distribution of cost among both electric and natural gas ratepayers.
- AEE also suggests that the Commission combine the utility's DSM program design with the utility's Integrated Resource Plan (IRP) in order to allow time for the programs to succeed while incorporating energy efficiency as a resource within the utility's overall strategic investment plan.

AEE Response to Issue 5

- AEE notes that allowing for an opt-out whereby large electricity consumers can decide not to participate in a DSM program is an approach that has been pursued by other states. AEE believes that "an opt-out provision should be structured to ensure those investments are being made […]." According to AEE's comments, a large industirial consumer opt-out program should also be structured to both drive investment in EE and reward those already making investments. AEE provides for prongs that should be part of an opt out program adopted by the Commission, with those 4 prongs being 1) require a thorough audit of operations to identify and quantify the best investments the company can make in cost-effective energy efficiency improvements, 2) that companies should develop a Strategic Energy Management Plan (SEMP) to prioritize and plan for investment in improvements that show a five-year simple payback or less, 3) report to the Commission on their progress toward achieving the efficiency objectives and share with the utility the results of their investment, and 4) require verification of the results achieved by an unbiased third-party consistent with the treatment of utility funded programs."
- AEE notes an August 2013 study that recommended incorporating technologies such as LED lighting, heat pump water heaters, and advanced controls. The study also recommended utilizing alternative design concepts (i.e. instant rebates, upstream programs, etc.) and advanced financing programs (financing, partnering with utilities, private capital, etc.).

Benedict Inn Retreat & Conference Center (by Sheila Marie Fitzpatrick)

The Benedict Inn Retreat & Conference Center (Benedict Inn) responded via e-mail on June 4, 2014. Benedict Inn stated that they believe the arguments "for stopping energy efficiency efforts to be rather short-sited [*sic.*]." They go on to state that although they appreciate the costs to "large manufacturing businesses," they should not be exempt from any effort to conserve energy. They also feel that "there is the most to gain here […] [a]nd raising awareness with the citizens of the state can only aid in helping us, both fiscally and physically."

The Benedict Inn continues to provide four points, seemingly in support of EE:

- Reduced energy usage means better quality of life.
- Reduced energy use means less demand on the utilities.
- Reduced energy use means saving money.
- And study after study shows that new innovations stimulate the economy.

They go on to offer support for move away from incandescent light bulbs and that new technology will only become mainstream if there is "activation energy."

Broad Ripple Unlimited Group (by Dan Sockrider)

In what appears to be Dan Sockrider responding on behalf of Broad Ripple Unlimited Group (BRUG)[2] via e-mail on June 9, 2014, the BRUG asks for a "forward thinking policy that furthers the work of past Indiana Energy Efficiency Programs." The e-mail continues to provide 3 objectives that BRUG believes should be considered "when shaping the next policy proposal." Those objectives are to "[1] [r]e-instate energy efficiency goals in Indiana at least as good as 2% by 2019, goals established in Cause No. 42693, 2009, [2] [r]equire ALL ratepayers to contribute. Any opt-outs for large electricity consumers must be fair and have other energy efficiency requirements associated with their ability to opt-out, [and 3] [r]equire an independent, non-profit third party administrator to oversee the program."

Circle Design Group, Inc. (by Gary Borgmann, CPD)

Circle Design Group, Inc. (CDG) expressed their displeasure, saying that "our Governor and our Legislators are terminating the Energize Indiana program" in a June 5, 2014 e-mail. The e-mail continues to note the benefits of energy conservation, that energy conservation is "here to stay," and that canceling any such energy conservation program is short-sighted. Additionally, CDG states that "[a]ny future plans, or programs must be effective and fair to all citizens, and not just to industry [*sic*]."

Citizens Action Coalition (by Jennifer A. Washburn)

On June 10, 2014, Jennifer Washburn provided Citizens Action Coalition of Indiana, Inc.'s (CAC) written comments via e-mail. In addition to their comments, **CAC provided 2,608 petition signatures and 83 additional comments**. The CAC response to GAO 2014-1 provided the comments that it viewed "as the most important considerations" with respect to the Governor's request.

[2] Sockrider provides no title or particular affiliation with the Broad Ripple Unlimited Group on the e-mail, but it appears that he is speaking on their behalf.

Summary of Written Comments – Alphabetical.

A summary of the CAC recommendations are as follows:

- **Need for a Strong Energy Efficiency Resource Standard**. CAC calls for a in a state energy efficiency resource standard (EERS), as defined by the American Council for an Energy-Efficiency Economy. An EERS provides safeguards regarding utilities meeting their planning obligations. Currently, half of all states have set mandatory long-term savings targets for utilities and other efficiency program administrators. CAC believes that a savings goal should be reinstated.
- **Need for a Statewide Program**. According to CAC, a statewide EE and DSM program provides many benefits, to include equity, consistency, and economies of scale. It also can provide the ability to offer dual programs, where gas and electric costs are coordinated.
- **Need for Independent, Non-Profit, Third Party Administration.** CAC has long maintained that an independent third-party administrator that reports directly to the Commission would be the most effective administrative solution to deliver EE and DSM programs.
- **Funding of EE and DSM Programs and Issues Related to Cost Recovery.** CAC recommends that the funding of EE and DSM programs be through the establishment of a public purpose fund established by the legislature, but be administered and governed by the Commission.
- **Cost Effectiveness and Evaluation of EE and DSM Programs.** According to CAC, all EE and DSM programs must be cost-effective at the portfolio level and evaluated by a 3rd party. Also, CAC asserts that the Indiana Technical Resource Manual should be the required benchmark utilized in such evaluations.
- **Economic Development for Indiana.** CAC believes that the Energizing Indiana program was a very successful economic development tool for Indiana. Accordingly, CAC states that any evaluation of the overall effectiveness of current EE and DSM programs in Indiana should include an examination into the economic development provided by such programs.
- **Issue of Industrial Opt-Out.** CAC recommends that any Indiana policy clearly articulate that energy efficiency is a legitimate utility system resource, and that all customers should share in paying for the energy efficiency resource. CAC believes that the policy should state exceptions in only certain circumstances, specifically a single site demand in excess of 5 MW.
- **Risk of Section 111(d).** CAC states that the proposed EPA rule regarding CO_2 emissions requires state-specific goals. In order to meet those goals, CAC believes that Indiana needs to develop a plan to reduce its carbon emissions. CAC recommends that Indiana take the lead in developing its own plan and place EE and DSM as a cornerstone of its plan.

Barbara Eden, Freelance Design

Ms. Eden requests that the state of Indiana's energy efficiency program be reinstated, as she feels it is very important.

Cummins, Inc. (by Shannon Kiely Heider)

According to Cummins, it is their goal to operate in a manner that leads to a cleaner, healthier, and safer environment. They support energy policy in Indiana that promotes economic vitality while improving quality of life and health for the people in the communities in which they live and work. They also believe that their experience with combined heat and power (CHP) technology and energy efficiency actions at their own facilities and operations prove that both are possible.

Cummins is uniquely qualified to comment on this issue. Cummins asserts that their experience with energy efficiency programs as a manufacturer in Indiana makes them uniquely qualified to comment on this issue. State energy policies greatly affect Cummins' ability to meet its self-imposed energy goals and ability to sell CHP products. Cummins would "yield substantial results if Indiana were to expand the scope of its energy efficiency policies and programs." Additionally, Cummins has had great success with meeting its greenhouse gas reduction goals the EPA programs.

Energy efficiency goals could be accelerated in Indiana if prescriptive and custom rebates for investment are available. Cummins provided the specific example of their Seymour Engine Plant, where they have significantly invested in regenerative dynamometers that reduced electricity consumption. Despite the support Cummins has received from their utility provider (Duke Energy), Cummins has been able to receive a rebate for their investment because of the narrow definition of allowable technologies that currently qualify for energy efficiency incentives.

ISO 50001 energy management standard conformity has proven to be an important improvement to Cummins' energy efficiency program. Cummins is offering to engage IURC and others in the state to help with the proliferation of ISO 50001. Cummins also recommends allow incentives to cover costs of ISO 50001 implementation, site training, technical consultation, auditing, and certification costs. Cummins provided the example of Germany's energy tax reduction of up to 90% for goods-producing companies that adopt ISO 50001.

Cummins believes that they need policymakers in Indiana to "open the door" to distribution generation (DG) source and CHP, as it will improve the quality of air, create green jobs, promote energy efficiency, and increase grid reliability and security.

Cummins specifically recommends that the Commission take the following steps to make Indiana a leader in proliferation of CHP technology:

- Establish consistent, comprehensive, and mandatory regulatory standards for CHP/DG to connect to the electric grid;
- Require utilities to provide a fair and reasonable rate for stand-by service;
- Establish state net metering standards so excess electricity generated by DG/CHP can be sold back to an electric utility or third party;
- Allocate state funds to subsidize the installation of CHP systems in end-use sectors, including hospitals and local governments;
- Include CHP in any state Renewable Portfolio Standard (RPS);
- Enact State Feed-In tariff legislation (FiT) requiring utilities to pay for excess power from CHP systems at their marginal cost; and
- Establish incentive programs to offset initial cost of installing a CHP system including funding for technical assistance.

Dominion Voltage, Inc. (by Maria Mercedes Seidler)

Due to the voluminous and complex nature of the comments provided by Dominion Voltage, Inc., by this appendix refers to this link for a copy of the actual comments.

In its comments, Dominion presents an alternative to the traditional DSM/EE programs with one that incorporates a program of voltage optimization ("VO") and advanced conservation voltage reduction ("CVR"). The comments go on to state that Indiana could find an additional 3-4% from combined employment of VO and advanced metering infrastructure ("AMI"). Additionally, Dominion states that "[…] where the distribution grid has not yet deployed AMI, the avoided energy costs associated with the lower voltage can help build the business case for the AMI adoption. In addition to the energy savings, VO would provide additional benefits from optimizing grid operations and improving operators' outage response, grid reliability, and voltage stabilization that over the longer term will support increasing installations of intermittent distribution generation resources."

Dominion also provides a case for cost/benefit of VO making the regulatory business case for AMI deployment. According to Dominion, prior CVR studies project expected values of 0.6% to 2.71% reduction in energy for every 1% reduction in average voltage. Notably, while VO technology is deployed on the grid and not on the other side of the meter, Dominion states that it "is the customer who directly benefits from the efficiency gains from VO […]." Dominion concludes by stating that it encourages the Commission to include AMI-enabled VO in its recommendations to the Governor as a cost-effective DSM tool that should be a part of the State's EE strategy for the benefit of customers and the economic development of Indiana.

Summary of Written Comments – Alphabetical.

Duke Realty (by Cinda Z. Terry)

Although it is unclear if Ms. Terry is speaking on behalf of Duke Realty, the comment made via e-mail on May 29, 2014, clearly requests that the decision to terminate the Energizing Indiana program be revered. The comment also states that Indiana has poor air quality and that "we continue to burn coal like crazy…please look towards alternative, cleaner solutions [*sic*.]."

Earth Charter Indiana, Inc. (by Rosemary Spalding)

Earth Charter Indiana, Inc. (ECI) submitted its comments via e-mail on June 9, 2014. Along with its comments, ECI provided a brochure that gave information regarding ECI. All information contained in the brochure is available at its website.

ECI states that one of its principles (specifically, "ECI Principle 7. – Adopt patterns of production, consumption, and reproduction that safeguard Earth's regenerative capacities, human rights, and community well-being.") can provide valuable guidance to the Commission in developing its recommendations to the Governor.

ECI goes on to provide four reasons for an aggressive EE and DSM policy, specifically 1) that energy efficiency through DSM saves electric utility customers money, 2) that energy efficiency programs can create jobs, 3) that implementing energy efficiency measures will result in lower energy demand, thus reducing environmental compliance costs, and 4) the reduction of greenhouse gas emissions through energy efficiency measures helps mitigate global warming. ECI goes on to recommend that the Commission provide the Governor with an aggressive, yet attainable numeric saving goal that includes mandatory participation by all utilities and all customers and is administered by the Commission.

Individual E-mail/Letter Comments Received by the Commission

E-mails and letters were received from the following individuals on the listed date pursuant to GAO 2014-1. PDF copies of each e-mail and/or letter received is available at this webpage.

In all, 63 e-mails and 3 letters were received. The following chart summarizes the topics covered in these letters. Notably, a majority of the letters either mentioned the Citizens Action Coalition or quoted their recommendations regarding GAO 2014-1.

Topic	# of comments regarding comment	% of comments regarding comment
Supports EE policies	**55**	**83%**
Supports Energizing Indiana/Cause No. 42693	**40**	**61%**
Supports neutral, non-profit 3rd party administrator of any	**25**	**38%**

Summary of Written Comments – Alphabetical.

EE/DSM program		
Mentions support of exploring alternative energy programs	**7**	**11%**
Expresses disappointment or being upset Energizing Indiana/Cause No. 42693 program ended	**40**	**61%**
Upset about electric rates/recommends abolishing rate structure	**7**	**11%**
Wants large users/industry to be required to participate in DSM/EE programs	**9**	**14%**
Wants EE standard similar to other states (Ohio, Illinois, and Kentucky mentioned)	**15**	**23%**
Wants EE/DSM policy that makes Indiana "an attractive state for business …" but also account for "sustainability, air quality and water quality[.]"	**15**	**23%**
General discontent	**15**	**23%**

The Commission received comments by the following individuals:

E-mails:

- Elliott (Jack) Spurway, Indianapolis (April 11, 2014)
- Robert Strimbu, Crown Point (April 25, 2014)
- Blue Rose, no city provided (April 28, 2014)
- Ron Cullers, Peru (April 28, 2014)
- Linda Greene, Unionville (April 28, 2014)
- Maura Buckley, Indianapolis (April 28, 2014)
- Kasi Spyker, Bloomington (April 28, 2014)
- Tom Odle, Jeffersonville (April 28, 2014)
- John Jerry ScotsRoss, no city provided (April 28, 2014)
- Lauren Bernofsky, Bloomington (April 28, 2014)
- Mary Anne Ballard, Mishawaka (April 28, 2014)
- Bruce Hlodnicki, MD, no city provided (April 28, 2014)
- Tom Probasco, Indianapolis (April 28, 2014)
- Judy Bell, no city provided (April 29, 2014)
- Mary Kate Dugan, Indianapolis (April 30, 2014)

Summary of Written Comments – Alphabetical.

- Joy Masterson, Indianapolis (April 30, 2014)
- Ann Barrentine, Bloomington (April 30, 2014)
- Willard/Catherine Snyder, Indianapolis (May 1, 2014)
- Sandra Moliere, Fort Wayne (May 2, 2014)
- Monica Cannaley, Carmel (May 4, 2014)
- Dorla Curry, Seymour (May 7, 2014)
- Kasi Spyker, Bloomington (May 7, 2014) – repeated content
- Mary Tarallo, DeMotte (May 12, 2014)
- Robert E. Rutkowski, Topeka, Kansas (May 12, 2014)
- Sarah Roberts, no city provided (May 12, 2014)
- Angela Spiegel, no city provided (May 12, 2014)
- Jane Stowe, no city provided (May 12, 2014)
- Jeffrey Steen, Adams County (May 14, 2014)
- Leslie Mendoza Kamstra, Indianapolis (May 17, 2014)
- Barbara Mytinger, no city provided (May 23, 2014)
- Kathy Loser, no city provided (May 28, 2014)
- Kathy Loser, no city provided (May 28, 2014) – repeated content
- Stephanie Denson, Indianapolis (May 29, 2014)
- Kevin McKinney, no city provided (May 29, 2014)
- Michelle Payne, no city provided (May 29, 2014)
- Veronica Needler, Lebanon/Indianapolis (May 29, 2014)
- Yok, no city provided (May 29, 2014)
- Tom Probasco, Indianapolis (May 31, 2014) – different content
- Sarah Diaz, no city provided (May 31, 2014)
- Pam Mason, no city provided (May 31, 2014)
- Jacquie Hilterman, Westfield (June 2, 2014)
- Michelle Payne, no city provided (June 4, 2014) – different content
- John J. Morgan, Indianapolis (June 4, 2014)
- David N. Parsons, Bloomington (June 4, 2014)
- Marie Harnish, Indianapolis (June 4, 2014)
- Terri B. Greene, Bloomington (June 5, 2014)
- Samuel Magill, Evansville (June 5, 2014)
- Eric Michael, Mishawaka (June 5, 2014)
- Leslie Webb, Carmel (June 6, 2014)
- Jennifer Blythe, Bloomington (June 6, 2014)
- Claude Mossian, no city provided (June 6, 2014)
- Hannah Schertz, Bloomington (June 6, 2014)
- “gschenetzke”, no city provided (June 8, 2014)
- Diane Giangrossi, Carmel (June 8, 2014)
- JJ Newman Rode, West Lafayette (June 8, 2014)

- Paul D. Eisenberg, Ph.D., Bloomington (June 8, 2014)
- Jeannette Rowe, Indianapolis (June 8, 2014)
- Asa Wrammerfors, Carmel (June 8, 2014)
- Angel Robertsson-Soper, Indianapolis (June 9, 2014)
- Jacqui Bauer, Bloomington (June 9, 2014)
- Rita Englum, Indianapolis (June 9, 2014)
- Bob Estell, no city provided (June 11, 2014)
- Kathy Coder, Lafayette, (July 30, 2014)

Letters:

- Amy Xochillatra, no city provided (June 3, 2014)
- P. Marz, South Bend (June 10, 2014)
- Kristy Cooper, Peru (June 2, 2014)

Grasteu Associates, Inc. (by Chris Granda)

Grasteu states that history shows the "clear social benefits of cost-effective energy efficiency programs." It also believes that Indiana should learn from other states trying to implement the same strategies. It points to successful 3rd party energy efficiency program management and coordination states, like Wisconsin, Vermont, much of the Pacific Northwest, and New Jersey.

Honeywell Smart Grid Solutions by Kevin Lauckner

On June 9, 2014, Kevin Lauckner sent an e-mailed letter on behalf of the undersigned EnerNOC, General Electric, Honeywell, Ingersoll Rand, Johnson Controls, Kingspan Insulated Panels, Knauf Insulation, Leidos Engineering, Siemens, and United Technologies. The letter sets forth what the letter signatories believe Indiana's energy strategy should include: 1) Include appropriate energy efficiency goals, 2) Reflect an examination of the overall effectiveness of current DSM programs, 3) Reflect any and all issues that may improve current DSM programs, 4) Reflect a thorough benefit-cost analysis of the cost impact to ratepayers of possible DSM programs, and 5) Allow for an opt-out whereby large electricity consumers can decide not to participate in a DSM program. They go on to state that they "agree with the Governor's pursuit of an all-of-the-above energy strategy that includes the use of cost-effective energy efficiency."

Hoosier Environmental Council with Technical Assistance From ACEEE by Jesse Kharbanda and Robert Johnson

The Hoosier Environmental Council (HEC) provided their comments on June 9, 2014. HEC was assisted by the American Council for an Energy-Efficient Economy (ACEEE). In its comments, HEC responded to each of the issues set forth by the Governor.

First, HEC believes that goals – especially ones that appear enforceable – are effective tools when it comes to energy efficiency programs. HEC provided data that it believes supports this statement. Specifically, it believes that data shows that the IOUs and IMPA showed exponential savings increases after the 2010 DSM mandate. HEC believes that Indiana's IOUs are not willing to set aggressive goals on their own and that a program like Energize Indiana successfully forced that.

Second, HEC states that ACEEE's review of decades of conserved energy costs shows a return at 3 cents nominal per kWh or less. HEC concludes, based on their data provided by ACEEE, that energy efficiency is an effective component of a resource plan and could be a "foundational building block for future plans."

Third, HEC provided suggestions for improvement. One suggestion offered was "[t]o address situations where the 'standard' program doesn't meet the needs of particular industrial customers […]." One such method discussed is combined heat and power (CHP). HEC then goes on to state that a cost-benefit analysis of a DSM program invariably shows that a "properly structured program meets this test." HEC then cites the Cadmus evaluation of Focus on Energy's 2012 Calendar Year Programs.

Lastly, HEC believes the provision in SEA 340 allowing for opt-out by customers in excess of 1 mW demand should be reversed, in that it does not address the issue of how to fully tap the efficiency potential in this sector. HEC believes that the logic used in SEA 340 is a misunderstanding of individual industrial firm economics vs. utility system economics. HEC then offers to solve the "payback gap" problem with a utility energy efficiency program.

HEC concludes by stating the economic benefits of energy efficiency policies, the possible "lag behind" Indiana could suffer by continuing to have a "carbon-centric energy infrastructure," and that this review by the state of its energy policy is particularly timely.

Indiana Cast Metals Association (INCMA) (by Blake Jeffery)

INCMA submitted its comments via e-mail on June 9, 2014. INCMA strongly endorses and supports the comments submitted to the Commission by the Indiana Industrial Energy Consumers and the Indiana Industrial Group.

Indiana Community Action Association (IN-CAA) (by Edward A. Gerardot)

IN-CAA submitted its comments to the Commission via letter on May 27, 2014. In its letter, IN-CAA provided 7 recommendations.

1) Targeted Investment. IN-CAA believes that targeting investment to the high energy consumers will produce the most savings per dollar invested. It believes that these savings can be realized with bill analysis and home size information. IN-CAA concludes that this "recommendation is that investment in each home can be greater while fewer households would be served."

2) Measure results. Instead of measuring realized savings of a DSM program on "deemed savings," instead measure it based on measured savings. IN-CAA states that historical studies show that engineering estimates are not reliable predictors of in-field savings.

3) Dual fuel. Proportioning investments at a home based upon the amount of energy being used from each energy source can increase efficiency for both a gas and an electric program.

4) Use Indiana based local vendors. To the maximum extent possible, IN-CAA believes that any future DSM programs should be managed and delivered by Indiana based providers.

5) Partner with the Indiana Weatherization Assistance Program. Adding funds to this program will reduce the overhead and allow increased conservation that would not otherwise be possible.

6) Channel funding through IHCDA. This office can effectively utilize CAA network to deliver any program that addressed residential energy efficiency.

7) Utilize accredited training providers for all residential service delivery organizations.

Indiana Distributed Energy Alliance (IndianaDG) (by Laura Ann Arnold)

IndianaDG includes companies doing business in Indiana that sell and install renewable energy systems. IndianaDG first points to DSIREUSA.org as a place to help understand the goals and programs currently operating in other states regarding EE. IndianaDG believes that Energizing Indiana program is an essential first step to address Indiana's high energy costs. It next believes that Indiana should increase its deployment of renewable energy technologies to reduce and/or stabilize energy costs for Hoosiers.

IndianaDG also believes that any EE/DSM program needs to be given adequate time to plan and be implemented. IndianaDG points to the electric IOU cases currently pending (44486, 44495, 44496, 43955, and 44497) before the IURC. As a result, no comments or recommendations can be made pertaining to these cases.

IndianaDG then suggests that Indiana move from declining block rates to inclining or inverted rates. It also recommends that Indiana review the goals and objectives of the Public Utilities Regulatory Policy Act of 1978 when devising a policy for EE/DSM in Indiana. It then provides two articles regarding the Minnesota Excel Energy program.

IndianaDG also states that a a cost-benefit analysis is important. Additionally, IndianaDG believes that rather than focusing on providing large customers the ability to opt-out of DSM programs and costs, there should be a renewed need to pursue "self-direct" DSM programs. IndianaDG feels that if large industrial customers are permitted to opt-out that there should be some sort of verification mechanism in place.

Indiana Electric Cooperatives (IEC) (by Scott R. Bowers)

IEC submitted its comments via e-mail on June 9, 2014. IEC based its comments on the written programs and results of its two generation and transmission cooperatives, Hoosier Energy and Wabash Valley Power, as related to the respective EE and DSM initatives.

Hoosier Energy estimates that there has been 1.7 million MWh of savings through its DSM portfolio of programs while reducing summer demand 31 MW and winter demand by 51 MW. The value of this program is based on total resource cost cost/benefit analysis, resulting in an estimated $2.32 avoided cost value for every $1 invested in DSM programs.

The Hoosier Energy DSM portfolio includes residential lighting, commercial and industrial efficiency programs, residential weatherization, residential heating and cooling equipment incentives, Touchstone Energy Home Program, appliance recycling, and load control.

Wabash Valley Power has successfully included DSM resources since 1981. It began energy efficiency programs in 2010. It evaluates its EE programs by comparing program costs to the expected cost of a market-based resource, as well as TRC test. To date, the POWER MOVES programs have saved 85,000 MWhs since 2010. The POWER MOVES residential initiative includes a refrigerator/freezer removal program, an air source heat pump rebate, a geothermal heat pump rebate, Touchstone home program, CFL discount program, LED security lights. The program's commercial and industrial initiative includes lighting retrofit incentives, HVAC retrofit incentives, schools retrofit program, agricultural retrofit program, C&I custom retrofit program, and a business new construction program.

Comments of 5 IOU Electric Utilities (by Kay Pashos)

Comments for Duke Energy Indiana, Inc., Indiana Michigan Power company, Indianapolis Power & Light Company, Northern Indiana Public Service Company, and Vectren Energy Delivery of Indiana, Inc., were submitted by Kay Pashos on June 9, 2014, by e-mail.

The utilities believe that reinstituting prescribed energy savings goals that ignore changing conditions is not prudent. Rather, the utilities recommend 1) using individual IRP results as a key part of the basis for energy efficiency decisions, 2) recognizing changing building codes and appliance efficiency standards, 3) considering rate impacts associated with energy efficiency programs, 4) requiring all Indiana retail electric utilities (not just jurisdictional utilities) to offer comprehensive energy efficiency programs to customers, 5) eliminating any mandates to utilize third party administrators to deliver utilities' programs; and 6) focusing on demand response as well as energy efficiency. The utilities also feel that regulatory policies that work to overcome natural disincentives to utility pursuit of EE, by allowing for timely recovery of utilities' EE costs, including lost revenues, and offering incentives for successful EE programs.

The utilities state that Indiana should focus on reasonably achievable and sustainable cost-effective EE programs that fit with the individual utilities integrated resource plan and needs, as opposed to imposing statewide energy savings goals across-the-board. The utilities also feel the state's EE programs have been effective in achieving energy savings on a cost-effective basis, but going forward, it will take significantly more resources to achieve increased EE savings. Much of the "low hanging fruit" has arguably already been harvested, plus EE is increasing due to changing building codes and appliance efficiency standards.

The utilities also offer that Indiana should allow timely recovery of program costs, lost revenues, and performance incentives, in order to mitigate financial penalties a utility will suffer if it implements EE programs without these ratemaking mechanisms. In order to achieve the most cost-effective EE portfolios possible, appropriate ratemaking treatment, including program cost recovery, lost revenue recoveries, and performance incentives, are imperative.

The utilities also recommend allowing for an opt-out whereby large electricity customers can decide not to participate in a DSM program, such as that included in SEA 340.

Comments of Industrial Consumers (by Todd A. Richardson, Jennifer W. Terry, Joseph P. Rompala)

Due to the voluminous and complex nature of the comments provided by Indiana Industrial Energy Consumers, Inc. and Indiana Industrial Group ("Industrial Consumers"), by Todd A. Richardson, Jennifer W. Terry, and Joseph P. Rompala on June 9, 2014, please refer to this link for a copy of the actual comments.

Specific recommendations made by Industrial Consumers are as follows:

1) Efficiency goals should address peak demand as well as usage reductions and should distinguish inefficiency and waste from economic development and load growth.

2) The industrial opt-out properly recognizes the capability of large consumers to achieve efficiencies independently.

3) Recovery of lost margins and shareholder incentives conflict with ratemaking principles and reduce efficiency savings.

4) Energy efficiency is advanced by support for private generation and competitive procurement standards.

IUPUI Lugar Center for Renewable Energy (by Peter J. Schubert, Ph.D, P.E.)

On May 16, 2014, Dr. Peter J. Schubert provided comments on behalf of the IUPUI Lugar Center for Renewable Energy. The comments were in the form of a survey of electric rate structures across the United States compiled in 2013 as part of a research project. The survey illustrates a reasonably comprehensive sample of different rate structures and is offered as ideas and examples for consideration in the Commission's deliberation regarding DSM.

MacAllister Power Systems (by Chris Cummings and Kent Koch)

Chris Cummings and Kent Koch submitted comments on behalf of MacAllister Power Systems a June 9, 2014, e-mail. MacAllister encourages the Commission to fully consider the Midwest Cogeneration Association (MCA) comments made regarding the utilization of combined heat and power (CHP) in Indiana's DSM and EE programs. MacAllister notes that a CHP project using the Caterpillar CAT power generation equipment that it deals requires substantial contributions from a dozen (or more) Indiana based companies.

Midwest Cogeneration Association (by Patricia F. Sharkey)

On June 9, 2014, Midwest Cogeneration Association (MCA) submitted its comments via e-mail by Patricia F. Sharkey. The comments begin by giving an introduction of MCA, CHP and waste heat-to-power (WHP.) MCA provides 6 CHP- and WHP-centric recommendations regarding EE goals:

1) Recognize distributed CHP and WHP in all of Indiana's EE programs;

2) Eliminate unjustified and onerous standby charges (i.e. backup power during an unplanned generator outage);

3) Eliminate inequitable treatment of non-utility owned generation resources;

4) Extend Indiana's net-metering program to distributed CHP and WHP projects;

5) Include utilities' long-term costs in "avoided cost" calculations;

6) Defray upfront capital costs that hinder CHP/WHP system usage;

MCA points to the Baltimore Gas & Electric's Smart Energy Savers CHP/WHP program for the 2012-2014 EmPower Maryland energy efficiency program as a prominent, successful example.

Musical Arts Youth Organization (by Lauren Bernofsky)

While it is unclear if speaking individually or on behalf of the Musical Arts Youth Organization, Lauren Bernofsky strongly supports any program which increases EE, including use of solar- and wind-generated power.

Nucor Steel (by Anne E. Becker, Peter J. Mattheis, and Shaun C. Mohler)

Nucor submitted its comments via e-mail on June 9, 2014. Nucor strongly believes that utility-sponsored EE programs are not designed to meet the specific needs of a large industrial facility such as Nucor's, where EE improvements are intertwined with complex industrial processes and the facility's unique operational characteristics. Nucor asserts that the assumption that large customers like Nucor need or can cost effectively make use of utility sponsored programs to effectuate EE measures is incorrect. Instead, it believes that energy-intensive industries, utility-sponsored EE programs distort the already-existing market incentives, and reward companies whose EE efforts lag behind their competitors.

Nucor feels that SEA 340 recognized that reality and a key provision in it allows qualified customers – like Nucor – to opt out from participating. Nucor asserts that it important to recognize the need for such an opt out provision, which will sunset on June 30, 2019. As a result, Nucor encourages the Commission to recommend removal of the sunset provision now set forth in Ind. Code § 8-1-8.5-9(f). Such an action would provide some measure of certainty for customers going forward, which Nucor states would allow for better capital planning processes.

Standardized Postcards Received by the Commission

The Commission received 550 pre-formatted postcards which all stated:

"Regarding the IURC's EE/DSM recommendations, please recommend to Gov. Pence that Indiana enact strong statewide energy efficiency policy that establishes:

1. Statewide savings goal similar to those established in the December 2009 order in Cause No. 42693.

2. A public purpose fund which ALL ratepayers contribute to.

3. An independent, non-profit Statewide third party administrator to oversee those funds."

The postcards were then individually addressed, stamped, and sent to the Commission with attention to Beth Krogel Roads and received on varying dates.

The postcards received are available for electronic viewing here:

Postcards Received Week of May 5th (11 postcards received)

Postcards Received Week of May 12th (83 postcards received)

Postcards Received Week of May 19th (73 postcards received)

Postcards Received Week of May 26th (124 postcards received)

Postcards Received Week of June 2nd (126 postcards received)

Postcards Received Week of June 9th (115 postcards received)

Postcards Received Week of June 30th (18 postcards received)

Summary of Written Comments – Alphabetical.

PQR Energy, LLC (by William H. Quayle)

On May 5, 2014, PQR Energy e-mailed a Power Point presentation regarding EE. Key points from the presentation are as follows:

- Launch a self-sustaining Indiana Energy Efficiency Revolving Fund (IEERF) program focused on assisting public entities, colleges and universities, public schools, not-for-profit organizations, and potentially other large energy consumers.
- IEERF focus will be on larger projects.
- IEERF will be established under the general authority of the Commission with $5-8 million initial capital.
- Provides proposed operating and disbursement procedures, as well as what PQR sees as key statutory, regulatory, and budgetary issues

Purdue University – Technical Assistance Program (by Kelly R. Weger)

Weger provided e-mailed comments on May 27, 2014. It is not clear if Weger is speaking individually or on behalf of Purdue University. Weger supports Energizing Indiana while acknowledging that he believes the program was not meeting its goals. Weger also supports opt-out programs, similar to Ford or Michigan University.

Sierra Club (by Casey Roberts)

Sierra Club provided e-mailed comments on June 9, 2014.

The Sierra Club believes that in order for ratepayers to realize the full benefit of DSM, there are several critical features of Indiana's next-generation DSM programs. First, the Sierra Club believes that mandatory statewide energy savings targets should be reestablished at the levels set in the Commission's 2009 order, with some adjustment for the interruption caused by SEA 340. Second, well-designed self-direct programs should be implemented to provide flexibility for large electricity customers. The Sierra Club believes these programs should require verified emission reductions from those customers as a condition of the privileges allowed by self-direct, and to allow the utility to account for these energy savings in future integrated resource planning proceedings. Finally, the Sierra Club feels that the Commission should recommend that the Governor retain coordinated stakeholder input into DSM programs, regardless of which entity administers them.

The Alliance for Industrial Efficiency by David Gardiner

The Alliance for Industrial Efficiency ("TAIE") submitted its comments via e-mail on June 9, 2014. It is TAIE's position that efforts to eliminate Indiana's EE goals through SB 340 will limit use of proven technologies in Indiana. TAIE presented 3 recommendations as a result of said efforts:

1) Refrain from allowing industrial customers to opt-out;

2) Authorize large customers to take part in self-direct programs and institute an adequate evaluation, measurement and verification and energy savings requirement; and;

3) Adopt policies that facilitate deployment of CHP and WHP in the state, including expanding net metering to include CHP, adopting a streamlined interconnection process, and eliminating any discriminatory standby rates.

TAIE also felt that the Commission's consideration of these issues was timely given Indiana currently working on addressing the EPA's new standards under 111(d). TAIE then comments on the benefits of CHP, why it feels that industrial opt-outs are disadvantageous, and why financial and utility barriers should be removed.

Youth Opportunity Center, Inc. (by Jeff Helm)

The Youth Opportunity Center, Inc. ("YOC") submitted its comments by e-mail on June 3, 2014. YOC proposes that a 50% tax credit be made available to donors who contribute money to a qualified not-for-profit Indiana agency that will use that money to invest in EE projects. YOC believes that the benefits of such a program will include:

1) Decreased utility demand without additional fiscal or administrative burdens on utility providers;

2) Prompting and encouraging not-for-profit agencies to undertake EE projects. Existing donors may ask the organization about planned EE projects, their interest prompted by the tax credit.

3) Agencies would receive an on-going economic benefit through reduced monthly operational costs; and

4) Projects undertaken would involve Indiana skilled-trades such as electricians, plumbers, roofers, HVAC, and others.