

## **NHT Comments on 3/24/2015 PSC Staff Annotated version of proposed MEEIA rule changes**

Item: 4 CSR 240-20.092 Definitions for Demand-Side Programs and Demand-Side Program Investment Mechanisms

(1) (Z) Non Energy Benefits

Comments:

- There are currently two items labeled (Z). These items should be re-lettered.
- NHT supports the inclusion of a definition of Non Energy Benefits.
- It is worth noting that just because Non Energy Benefits must be “quantifiable” does not mean they must be explicitly “quantified” in order to be counted. That is, we suggest the PSC could set a reasonable, conservative “adder” based on appropriate research and analysis that would capture these Non Energy Benefits while minimizing the administrative burden of explicitly quantifying them on an ongoing basis.
- Item “(Z) 1.” uses the language “including but not limited to” when listing examples of Non Energy Benefits, whereas items “(Z) 2.” and “(Z) 3.” use the language “such as.” We suggest that all three of these items use the language “including but not limited to” in order to make clear that a Non Energy Benefit need not be listed here in order to be considered legitimate.

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(2) Guideline to Review Progress Toward an Expectation that the Electric Utility’s Demand-Side Programs Can Achieve a Goal of All Cost-Effective Demand-Side Savings.

Comments:

- There are currently two items labeled (2). These items should be re-lettered.
- Insert 5% low-income goal currently listed under “(2) Utility Market Potential Study” (suggested 5% of savings goal) in this section. For example, this could read: “A MEEIA plan should include a target to obtain at least five percent (5%) of its energy savings from the low-income sector. Energy savings from multifamily buildings that house low-income households may count toward this target.”

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(2) Utility Market Potential Study

Comments:

- There are currently two items labeled (2). These items should be re-lettered.
- NHT supports the inclusion of additional guidelines to ensure that market potential studies are high quality.
- (2) (A) 2. Instead of “Use census data and/or GIS mapping data” we suggest this read “Use U.S. Census data and, where appropriate, GIS mapping data.” This conveys that “census” refers to the U.S. Census and that the U.S. Census should always be used as a source. GIS mapping data is not a substitute for using U.S. Census data, hence the removal of the word “or” in “and/or.” Rather, GIS mapping data may be needed or useful to supplement U.S. Census and other data.
- (2) (A) 4. We strongly support the guidance provided here that market potential studies draw on “data from secondary sources and relevant data from other geographic regions.”
- (2) (A) 6. While we think it is helpful to set a minimum target for serving low-income customers, the wording here is unclear: “Include a target of at least 5 percent for low income programs.” Is this 5% of the MEEIA budget? Is it 5% of the MEEIA savings goal? We suggest that a 5% of MEEIA savings goal target is most appropriate

- This low-income goal should be rephrased and moved to the “Guideline to Review Progress Toward an Expectation that the Electric Utility’s Demand-Side Programs Can Achieve a Goal of All Cost-Effective Demand-Side Savings” section (2)(A) where the percentage savings goals are listed.
- The current (2)(A) 6. should be rephrased to emphasize the inclusion of an analysis of low-income savings in potential studies. For example: “Include a full estimate of the cost-effectively achievable potential for all low income homes, including low income multifamily buildings.” In order to achieve deep savings in affordable multifamily buildings, it is important that the potential study conduct a whole-building analysis, including building envelope/systems, common areas, and in-unit measures.
- (2) (A) 7. We support the inclusion of non-energy benefits analysis in market potential studies.
- (2) (B) We support improved transparency and the inclusion of additional opportunities for stakeholder involvement in the creation of market potential studies.

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(3) Applications for Approval of Electric Utility Demand-Side Programs or Program Plans.

Comments:

- (3) (A) We support improved transparency and the inclusion of additional opportunities for stakeholder involvement in the filing/approval of utility demand-side programs or program plans.
- (3) (B) There are currently two items labeled (3) (B). These items should be re-lettered.
- (3) (B) 2. This items lists the utility cost test, the participant test, the non-participant test, and the societal cost test, before stating that “All tests may include quantifiable Non Energy Benefits.” Perhaps the total resource cost test should be added to this list so that it is clear that the total resource cost test is included in the list of “all tests” that may include Non Energy Benefits.

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(7) Tax Credits and Monetary Incentives

Comments:

- (7) (A) The suggested changes now reflect low-income provisions present in current statute. One note: while the current statute lists 253.545 through 253.561, the item 235.561 no longer appears in statute, so it seems that it is appropriate for the rules to list 253.545 through 253.559 as in the proposed changes.

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(8) State-Wide Collaboratives

Comments:

- (8) (B) 1. A. We support the creation of a statewide market potential study as an activity for the State-Wide Collaborative. We anticipate this would streamline stakeholder input and participation, while enabling higher-quality potential studies that reflect broad consensus about best practices.

- (8) (B) 1. A. We support the creation of a charter for the statewide advisory collaborative and hope that there will be opportunities for stakeholders to contribute to/comment on the substance of the charter. Specifically, the charter should include (and the rules could list) a goal not only to “share” among utilities and other stakeholders, but also to “collaborate” on joint initiatives and programs not limited to the statewide TRM and market potential study. Utilities might, for example, collaborate on joint gas-electric offerings or development of online technology to provide multifamily building owners easy access to their building energy usage information.
- (8) 3. We are optimistic that more frequent, charter-driven statewide collaborative meetings will support increased program uniformity across utility service territories, encouraging broader participation by multifamily owners with geographically diverse portfolios; and encourage increased collaboration among gas and electric utilities, streamlining programs and lowering administrative burdens that can prevent multifamily buildings from participating in MEEIA programs.