BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of a Working Docket	)	
to Review the Commission's Missouri Energy	)	
Efficiency Investment Act (MEEIA)	)	File No. EW-2015-0105
rules 4 CSR 240-3.163, 4 CSR 240-3.164,	)	
4 CSR 240-20.093 and 4 CSR 240-20.094	)	

COMMENTS OF THE NATIONAL HOUSING TRUST

COMES NOW the National Housing Trust ("NHT") and offers the following comments on the July 15 draft rules from Staff at 4 CSR 240-20.092, 093 and 094 and on the comments from Public Counsel:

NHT comments on 20.092 – Office of Public Counsel version 07.15.2015

(AA) "Hard-to-reach Customers" means customers who are generally not offered energy efficiency measures in a competitive environment, or for whom traditional incentive payments alone are an insufficient inducement to invest in energy efficiency measures.
Those customers who do not have easy access to program information or generally do not participate in energy efficiency programs due to income, housing type, geographic, or home ownership (split incentive) barrier. These barriers are defined as:
1. Income – those customers whose income may not exceed 200% of the federal poverty guidelines or 80% of Area Median Income as defined by the federal government.
2. Housing type – multi-family and mobile home tenants, and/or
3. Geographic – businesses in designated distressed counties, and/or
4. Renters

In OPC's (AA) 1. NHT objects to the overly restrictive limits placed on income in this definition. Within the federal government, there are various definitions used to describe low-income households: the definition most applicable to low-income housing is used by the U.S. Department of Housing and Urban Development, which is: income not exceeding "80% of Area Median Income." (The U.S. Department of Energy uses "200% of the federal poverty guidelines" for its Weatherization Assistance Program.)

Compared to "200% of the federal poverty guidelines," the HUD definition is roughly equivalent, but the definitions vary according to family size. The main advantage of including both definitions is that subsidized and public housing already record and report income based on HUD guidelines. Including this additional definition will eliminate unnecessary, burdensome, and duplicative administrative expenses on the part of housing owners and utility staff.

In OPC's (AA) definition, NHT notes that "home ownership (split incentive) barrier" is cited in the initial paragraph, but then not included in the list of barriers. NHT suggests the addition of Renters as (AA) 4. There is precedent for calling out renters as a hard-to-reach group. For example, in Minnesota utilities must report the impact of their programs on renters.

NHT comments on 20.092 – PSC Staff version 07.15.2015

(II) Non Energy Benefits means effects attributable to energy efficiency programs apart from energy savings:

1. Direct benefits to participants in utility demand side programs, including but not limited to, increased property values, increased productivity, decreased water and sewer bills, reduced operations and maintenance costs, improved tenant satisfaction, and increases to the comfort, health, and safety of participants and their families;
2. Direct benefits to utilities, including but not limited to, reduced arrearage carrying costs, reduced customer collection calls/notices, reduced termination/reconnection costs, and reduced bad debt write-offs; and
3. Indirect benefits to society at large, including but not limited to, job creation, economic development, energy security, public safety, reduced emissions and emission related health care costs, and other environmental benefits.
4. Non Energy Benefits ~~shall~~ may be included in cost-effectiveness tests unless they cannot be estimated with a reasonable degree of confidence;

Gateley, Curtis 6/23/2015 8:39 AM
Deleted: :

Gateley, Curtis 4/17/2015 1:53 PM
Deleted: such as

Annika Brink 7/24/2015 2:02 PM
Deleted: : these non energy benefits would be the only NEBS considered for the TRC and the UCT tests

Gateley, Curtis 4/17/2015 1:53 PM
Deleted: such as

Gateley, Curtis 4/21/2015 9:47 AM
Deleted:

Annika Brink 7/24/2015 2:06 PM
Deleted: such as ~~the total resource cost test and~~ the societal cost test

Annika Brink 7/24/2015 2:07 PM
Deleted: calculated

Gateley, Curtis 6/8/2015 2:49 PM
Deleted: In order to be included in cost tests such as the Total Resource Cost test, Non Energy Benefits must be quantifiable

In (II) 2. NHT objects to the addition of the following language inserted above: ": these non energy benefits would be the only NEBs considered for the TRC and the UCT tests." Regardless, this clarification does not belong in the Definitions section of the MEEIA Rules.

In (II) 4. NHT objects to the deletion of "the total resource cost test and." By listing only the SCT, this implies that NEBs cannot be included in the TRC. In order to avoid this implication, NHT requests that examples of cost-effectiveness tests not be included in this definition. Thus, we would strike "such as the total resource cost test and the societal cost test" entirely.

In (II) 4. NHT objects to the use of the word "calculated." This word may unintentionally impose undue restrictions on the development of NEBs quantification methods, since the nature of most NEBs is that they are hard to calculate. Using language such as "estimated" instead of "calculated" leaves room for later measures such as NEBs adders, which save time, expense, and frustration while still allowing a conservative estimate of NEBs to be included in cost-effectiveness testing.

(VV) Total resource cost test, or TRC, a test that compares the sum of avoided utility costs and avoided probable environmental compliance costs to the sum of all incremental costs of end use measures that are implemented due to the program, as defined by the commission in rules. Benefits include the avoided costs or utility costs, avoided probable environmental compliance costs, other avoided resource benefits (e.g., oil, natural gas, water), and other benefits that accrue to Missourians, including non-energy benefits as defined by the commission. Costs include the sum of all incremental costs of end-use measures that are implemented due to the program (including both utility and participant contributions), plus utility costs to administer, deliver, and evaluate each demand-side program. In estimating its avoided probable environmental compliance costs and non-energy benefits, the utility shall consider factors including, but not limited to: reductions in emissions liability under the Clean Air Act; reduction in transmission and distribution costs; reductions in the utility's load factor or peak load; reductions in fuel costs, health and safety improvements, etc.

In (VV) NHT supports the inclusion of "other avoided resource benefits (*e.g.,* oil, natural gas, water), and other benefits that accrue to Missourians, including non-energy benefits as defined by the commission" in the list of included benefits.

NHT comments on 20.094 – PSC Staff version 07.15.2015

NHT supports the inclusion of a requirement to specifically estimate achievable potential for low-income customers, as well as the clarification regarding energy savings from multifamily buildings that house low-income households. This is necessary because low-income programs need not be cost-effective and might otherwise be neglected by market potential studies.

NHT objects to the elimination of this language (and related language included under State-Wide Collaborative later in the document). NHT supports a statewide market potential study with transparent assumptions and many opportunities for stakeholder input. A statewide study would better align incentives for utility goal-setting and resolve methodological concerns.

A. Create and implement a statewide technical resource manual that includes values for deemed savings and addresses measures in all sectors, ~~including Commercial & Industrial, Residential, Residential Multifamily, and Residential Low-Income,~~ no later than July 1, 2019, and updated annually by ~~July 1st~~ thereafter;

NHT objects to Ameren's request to strike the listing of sectors above: "including Commercial & Industrial, Residential, Residential Multifamily, and Residential Low-Income." This list provides further clarity and will ensure that "Multifamily," which has been consistently overlooked and mis-categorized as either "Residential" or "Commercial" is adequately considered in the statewide TRM.

However, NHT would prefer that "Residential Multifamily" be changed to simply "Multifamily" since both "Commercial" and "Residential" meters can be included within a Multifamily building and the intent should not be to include "Residential" but not "Commercial" measures within Multifamily buildings.

Annika Brink 7/24/2015 3:19 PM
Deleted: 6. Include a

Annika Brink 7/24/2015 3:19 PM
Deleted: estimate of the achievable potential, regardless of cost-effectiveness, of energy savings from low-income programs. Energy savings from multifamily buildings that house low-income households may count toward this target; and

Annika Brink 7/24/2015 3:22 PM
Deleted: (C) Utility market potential studies shall be utilized until a statewide market potential study is created in accordance with 4 CSR 240-20.094(9)(B), after which electric utilities shall utilize the statewide potential study in subsequent MEEIA applications.