

## ENERGY EFFICIENCY *EN BANC*

### QUESTIONS

1. The Electric Distribution Companies (EDCs) currently have some Demand Side Reduction (DSR) programs available to various customer classes. They have developed these programs voluntarily without any mandates.
  - a. Should the EDCs' existing DSR programs provide the starting point or baseline from which new offerings could be developed?
  - b. Should new/expanded programs be developed?
  - c. Should EDCs re-open closed programs in order to fill in the gaps of the existing EDC DSR programs?
  - d. Examples of existing EDC DSR Programs (2007):
    - 1) Duquesne, FirstEnergy, PECO, PPL and UGI have load reduction programs requiring use of an interval meter for Commercial & Industrial (C&I) customers.
    - 2) Duquesne and FirstEnergy have load control programs for residential and small C&I customers.
    - 3) FirstEnergy has a distributed generation program for C&I customers.
    - 4) PennPower has an hourly pricing program available to C&I customers.
    - 5) Most of the EDCs already have some Time of Use (TOU) or Billing Demand programs available to various customer classes.
    - 6) UGI offers to audit customer facilities as well as provide a rebate program for high-efficiency heat pumps.
    - 7) FirstEnergy offers customers a web-based calculator. FirstEnergy is also currently considering two new programs: Power Factor correction for C&I and a Thermostat/Appliance Price Response Program for residential and small commercial customers.
2. Should the DSR/Energy Efficiency (EE) programs be combined to have the greatest impact? For example, should an education campaign combined with an offer to install frequently-used EE measures be one program?
3. Should DSR and/or EE programs be fully recoverable in rates if demonstrated to be cost effective by satisfying the Total Resource Cost (TRC) benefit test? Are there other cost/benefit tests the Commission should use? Should the Commission use multiple tests in evaluating programs?
4. Should the Commission specify smart meter capabilities or standardize meter interoperability for new meter installations? If so, what should those standards be?
5. Should time-of-use rates and other load-management type rates be introduced as a

cost-saving measure? Should these programs be launched prior to rate cap expiration or to coincide with rate cap expirations?

6. Should some or all DSR/EE programs be coordinated across the Commonwealth to act as one program? If so, what types of programs? What types of programs should be utility specific?
7. Should statewide energy and demand-reduction (DR) targets be identified and set? How would these targets be set, and what are reasonable targets?
8. Should utility-specific EE and DR reduction goals be established?
  - a. If yes, how should such cost-effective reduction goals be determined?
  - b. If yes, how should this be accomplished?
9. How many and what types of programs should be selected?
10. How should the programs be selected?
11. Should these programs be subjected to rigorous program evaluation?
  - a. Is a determination of cost-effectiveness based on a TRC test sufficient? Is there a need to conduct classical program evaluation where net impacts are actually measured?
  - b. What is the likely cost to properly evaluate these programs?
  - c. How often should the programs be evaluated?
  - d. Should the programs undergo process evaluations to determine if they are being implemented and targeted as designed, or is there is a need for early implementation adjustments to increase their effectiveness?
12. Who should (1) select, (2) develop, and (3) administer the EE and DR programs? The utility, the PUC or a third-party administrator?
13. What level of costs is reasonably required to administer these programs successfully, expressed as a percent of total costs? What types of costs should be considered “administrative” costs?
14. Should the Commission establish standardized rules for meter and meter data access to facilitate third-party DSR programs and other energy-management services by Curtailment Service Providers and other energy-management providers?