



June 18, 2019
The Honorable Steve Wilson
Chairman, Senate Energy & Public Utilities Committee
Senate Building
1 Capitol Square
1st Floor
Columbus, OH 43215

Re: House Bill 6 Interested Party Testimony

Dear Chairman Wilson,

On behalf of Heapy, a 200-person engineering and energy consulting firm headquartered in Dayton, with offices in Cleveland, Findlay, and Columbus, I am writing to ask you to either vote against supporting HB6 as it currently is written or to amend HB6 to exclude any proposed changes to the existing and highly successful Energy Efficiency (EE) and Peak Demand (PDR) Programs.

Our concerns with HB6 as it is being considered by the State Senate Utilities Committee are many:

1. **HB6 proposes elimination of the financially successful EE/PDR programs.** These programs have provided considerable benefit to both commercial and residential utility customers across Ohio. Summary analysis of these programs (results from 2009 to 2017), shows that Ohio ratepayers have received over **\$5.1 billion** in energy cost savings!
2. **The EE/PDR programs have provided an incredible \$2.65 of benefit for every \$1 invested in the program.**
3. **EE flattens Demand, driving down wholesale capacity prices**, which benefits ALL customers through lower generation costs.
4. **EE/PDR Programs often provide the crucial financial incentive that moves energy savings projects** to the top of a long list of competing capital priorities. Many of the hospitals, colleges, corporations, and non-profits we work with will likely defer investment in EE capital improvement projects without these programs.
5. **EE/PDR programs resulted in added investment capital totaling nearly \$2M for our Ohio-centered clients.** In 2018, utility Retro-Commissioning programs incentivized efficiency projects with an average *annual* energy cost avoidance of nearly \$50,000 for our customers.
6. **The EE/PDR Programs have been quite successful but have not yet reached any point of market saturation; Ohio utilities have referenced only 10-12% of commercial business participation since program creation.** *There is so much positive work left to be done with EE for Ohio's utility customers!!!*

We understand the ongoing need to revise and update Ohio's Energy Policy; **however, eliminating the financially successful mandatory EE/PDR Programs will hurt Ohio businesses.** It is important to note; a completely voluntary program will not provide the incentive and participation supported by the existing Programs.

Thus, we are asking you to either vote against supporting HB6 as it currently is written or to amend HB6 to exclude any proposed changes to the existing and highly successful EE/PDR Programs. I would appreciate the opportunity to discuss with you further.

Sincerely,

Richard Pavlak, PE, LEED AP
President
HEAPY

Cc: Members of the Senate Energy & Public Utilities Committee

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