



Mid-Ohio Regional
Planning Commission

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January 21, 2016

Environmental Protection Agency, EPA Docket Center (EPA/DC)
Mail code 28221T
Attention Docket ID No. OAR-2015-0734
1200 Pennsylvania Ave. NW
Washington, DC 20460

Subject: Clean Energy Incentive Program, Clean Power Plan

To Whom It May Concern:

This letter represents the comments submitted by the Mid-Ohio Regional Planning Commission (MORPC) on the U.S. Environmental Protection Agency's Clean Power Plan Clean Energy Incentive Program (CEIP). We commend the U.S. EPA's recent decision to provide a CEIP proposal through a formal 90-day comment period which aligns with our recommendation. In this letter MORPC will respond to some of the initial inquiries put forth by U.S. EPA in the "questions and related issues" document for stakeholder input instead. It is our hope that this initial input solicited by EPA is helpful in the development of a full CEIP proposal.

Through a well-designed program, the CEIP could expand renewable energy and energy efficiency technologies to those most in need and realize greater benefits across our communities by investing in the smarter use of energy. The comments provided by MORPC are consistent with MORPC's 2016 Public Policy Agenda, which is a strategic document representing the collective voice of more than 60 local governments, and a proactive framework to advocate for issues, policies and interests of Central Ohio communities. MORPC proposes the following recommendations for EPA's consideration:

- Criteria for low-income energy efficiency projects should be based on existing programs and developed by sector.
- EPA should consider geography and existing designations of need when defining criteria, terms and requirements for low-income communities under the CEIP.
- MORPC recommends consistency with utilities commission protocol for evaluation, measurement, and verification (EM&V.)

MORPC is a voluntary association of more than 60 local governments representing a 15-county region in the state's fastest-growing region - Central Ohio. MORPC also serves as the region's metropolitan planning organization and has a strong focus on sustainability. MORPC embraces innovative directions in transportation, energy, housing, land use, the environment, and economic prosperity, bridging the rural, suburban, and urban in the communities it serves. The CEIP represents an opportunity for low-income communities in the Central Ohio region to benefit from early investment in renewable energy generation and energy efficiency programs. Further, comments described herein are consistent with Goal 4 of MORPC's 2016

William Murdock, AICP
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Public Policy Agenda which aims to promote energy efficiency and an abundant supply of safe, reliable, and affordable sources of energy for our growing region.

As an integral part of its long-standing commitment to sustainability, MORPC offers a range of energy expertise and services to its local governments that most notably includes a comprehensive residential energy efficiency program which has served more than 15,000 income-eligible households in Franklin County since 1988. Weatherization services are free due to effective public-private partnerships between MORPC, electric and gas utilities and the federal government. Customers receive home energy inspections, attic and wall insulation, air sealing, safety checks, and furnace and water heater repair and replacement as needed. More recently, MORPC is collaborating on an effort to establish financing tools for commercial and industrial energy projects, such as using Property Assessed Clean Energy (PACE) through a regional approach achieving shared services across multiple jurisdictions.

In providing these services for nearly 30 years, MORPC can share best practices and lessons learned based on its experience and expertise on the best design of similar programs, including the CEIP. Further, MORPC is well-positioned to comment on the creation of a program that could provide increased access to investment in renewable energy and energy efficiency especially for disadvantaged communities. The following information is provided as an attempt to respond to the open-ended questions on the design of the CEIP.

MORPC recommends that criteria for low-income energy efficiency projects is based on existing programs and developed by sector.

Existing residential energy programs define low-income at or below 200% of the Federal poverty guidelines. Project eligibility for CEIP should be consistent with these existing programs already successfully in place within specific regions based on population, climate, building and fuel type, and other factors. All viable technologies that reduce energy consumption should be eligible, such as commercially-available lighting, heating and building envelope materials to equipment that may realize additional benefits when deployed like water reduction strategies and combined heat and power projects. In addition, flexibility should be maintained for states to determine the appropriate mix of program criteria tailored to their set of circumstances and can best maximize results through the CEIP.

Further, program guidance should emphasize cost-effective measures and quality assurance. For example, the State of Ohio defines "Any energy efficiency measure yielding a savings to investment ratio of greater than one shall constitute a cost-effective measure." To ensure quality of work and verifiable energy savings, households and buildings should receive an inspection or energy audit to determine appropriate efficiency measures, energy education, and installation of energy-saving measures. Within the residential sector, multi-family units should be part of the larger strategy as aging apartment communities provide opportunities for significant energy savings. Preference should be provided to high energy users, which can benefit the most through the CEIP as well as contribute more significantly to reducing carbon emissions from existing electric generating units.

In developing large distributed energy projects, MORPC recommends an emphasis on ensuring benefits are directed to the communities where these projects reside. Strong involvement of community stakeholders in the targeted disadvantaged areas can best identify and account for local economic and environmental benefits, such as permanent jobs, clean power utilized for local purposes, appropriate development of underutilized or vacant property, and mitigation of any unintended consequences from these projects.

EPA should consider geography and existing designations of need when defining criteria, terms and requirements for low-income communities under the CEIP.

In determining the definition of low-income community, MORPC recommends that U.S. EPA use existing multi-faceted categorizations for communities in need. For example, the State of Ohio has established Priority Investment Areas which take multiple indicators of need into account and provide a more comprehensive tool for defining low-income communities. Through the Ohio Development Services Agency, the state has defined four varieties of Priority Investment Areas: Distressed, Labor Surplus, Inner City and Situational Distress. These categorizations take into account high poverty, unemployment, the needs of inner city communities, and areas affected by economic downsizing of a major employer. This criteria to define a low-income community can be used to determine eligibility of commercial and industrial building projects.

MORPC recommends consistency with utilities commission protocol for evaluation, measurement, and verification (EM&V).

States have protocols in place for EM&V regarding residential and commercial energy efficiency projects. The utility companies have to follow those protocols to claim the demand side reductions in states where there is an Energy Efficiency Resource Standard in place to drive those reductions. The Public Utilities Commission of Ohio (PUCO) put forth protocols used by utilities and those should be considered for consistency.

Central Ohio is a strong candidate for energy efficiency and renewable energy investments through the CEIP.

Energy is key to the economic growth and success of Central Ohio, which is among the country's fastest growing, large metros in the U.S. MORPC supports energy efficiency and an abundant supply of safe, reliable, and affordable sources of energy for our growing region. Keeping costs low and developing resilient onsite power can foster greater economic prosperity, efficient use of resources, and a higher quality of life for more than 2 million residents and more than 68,200 businesses in the region. The availability of resilient, onsite power has worked to the advantage of Central Ohio in our overall economic development strategy, which attracted Amazon Web Services to locate three data centers in the region.

Energy efficiency is a great value. A study conducted by the U.S. Department of Energy showed that every dollar invested to weatherize homes of low-income households in cold climates, such as Ohio, produces \$2.04 in savings. Investment in

weatherization also creates 17 jobs per \$1 million spent, lowers costs to Ohioans for utility bill payment assistance programs, reduces dependence on fossil fuels, and results in fewer harmful emissions and improves public health.

In closing, the Clean Energy Incentive Program can hasten investment in meaningful projects that bring renewable energy and more energy-efficient buildings to our region. Once a more detailed plan can be provided through the Federal Register process, MORPC looks forward to providing more substantial comments as an experienced provider of residential energy efficiency services for nearly 30 years.

If you have any questions regarding MORPC's comments, please feel free to contact me at wmurdock@morpc.org or (614) 233-4101.

Kind Regards,

A handwritten signature in blue ink, appearing to read "William Murdock", with a long horizontal flourish extending to the right.

William Murdock
Executive Director