

IURC
PETITIONER'S
EXHIBIT NO. 11-13-15
DATE 11-13-15 REPORTER [Signature]

SOUTHERN INDIANA GAS & ELECTRIC COMPANY

D/B/A

VECTREN ENERGY DELIVERY OF INDIANA, INC.

("VECTREN SOUTH")

I.U.R.C. CAUSE NO. 44645

REBUTTAL TESTIMONY

OF

MICHAEL P. HUBER,

MANAGER, CUSTOMER PLANNING & SALES

OFFICIAL
EXHIBITS

ON

DSM PROGRAMS INCLUDED IN THE

VECTREN SOUTH 2016-2017 ELECTRIC DSM PLAN ("2016 – 2017 PLAN")

SPONSORING PETITIONER'S EXHIBIT NO. 8 &
ATTACHMENTS MPH-R1 – MPH-R5

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VERIFIED REBUTTAL TESTIMONY OF MICHAEL P. HUBER

I. INTRODUCTION

Q. Please state your name and business address?

A. My name is Michael P. Huber and my business address is One Vectren Square, Evansville, Indiana 47708.

Q. Are you the same Michael P. Huber who previously filed Direct Testimony in this proceeding?

A. Yes, I am. However, on October 19, 2015, I assumed a new role as Manager, Customer Planning & Sales and am no longer serving as Manager, Electric Demand Side Management ("DSM") & Conservation. Also, effective October 19, 2015, the DSM & Conservation department was restructured such that there is now a manager of Indiana residential electric and natural gas energy efficiency ("EE") programs and a manager of Indiana commercial & industrial ("C&I") electric and natural gas EE programs.

Q. What is the purpose and scope of your rebuttal testimony in this proceeding?

A. The purpose of my rebuttal testimony is to respond to issues raised in the Direct Testimony of April M. Paronish filed on behalf of the Indiana Office of Utility Consumer Counselor ("OUCC") and Natalie A. Mims filed on behalf of the Citizens Action Coalition of Indiana, Inc. ("CAC"). Specifically, I address concerns related to the programs included in Vectren South's 2016 – 2017 Plan and issues raised related to evaluation, measurement and verification ("EM&V") of programs included in the 2016 – 2017 Plan.

Q. Are you sponsoring any attachments in this proceeding?

A. Yes, I am sponsoring the following attachments:

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- 1 • Petitioner's Exhibit No. 8, Attachment MPH-R1, which is a copy of the
- 2 minutes from the Vectren Oversight Board meetings from January 2015
- 3 through June 2015;
- 4 • Petitioner's Exhibit No. 8, Attachment MPH-R2, which is the invitation to
- 5 the C&I program awareness and emerging technologies training that was
- 6 sent by Vectren South to C&I opt-out eligible customers;
- 7 • Petitioner's Exhibit No. 8, Attachment MPH-R3, which is the opt-out
- 8 notification that was sent by Vectren South to C&I opt-out eligible
- 9 customers;
- 10 • Petitioner's Exhibit No. 8, Attachment MPH-R4 which is the invitation to
- 11 the C&I program awareness and emerging technologies training that was
- 12 sent by Vectren South to C&I opt-out customers; and
- 13 • Petitioner's Exhibit No. 8, Attachment MPH-R5, which is the opt-out
- 14 notification that was sent by Vectren South to C&I opt-out customers.

15
16 Q. Were your testimony and exhibits in this proceeding prepared by you or
17 under your supervision?

18 A. Yes, they were.

19
20 II. VECTREN SOUTH SOUGHT INPUT FROM STAKEHOLDERS PRIOR TO
21 FILING ITS DSM PLAN

22
23 Q. The OUCC and CAC both make several programmatic recommendations.
24 Did Vectren South seek input from stakeholders prior to filing its case-in-
25 chief in this proceeding?

26 A. Yes. Vectren South's DSM programs are overseen by an oversight board
27 ("OSB"). The CAC and the OUCC are both voting members of that OSB. In
28 January, 2015, Vectren South shared its proposed DSM Plan in draft form with
29 the OSB. We shared this specifically seeking input from these stakeholders into
30 the proposed program design.

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1

2 Q. Did you receive any feedback on the proposed program design from the
3 OSB prior to the date Vectren filed its 2016 – 2017 Plan?

4 A. Yes. I've attached to my testimony as Petitioner's Exhibit No. 8, Attachment
5 MPH-1 copies of the meeting minutes from the OSB since January 2015 to
6 confirm the discussions that occurred during OSB meetings.

7

8 Q. Did Vectren South make modifications to the 2016 – 2017 Plan based on the
9 program design changes recommended by the OSB prior to filing the 2016
10 – 2017 Plan for approval?

11 A. Yes. Based on recommendations by the OSB during a meeting that occurred on
12 April 29, 2015, Vectren South made the following changes to the 2016 – 2017
13 Plan:

14 • Income Qualified Weatherization ("IQW") – Vectren South expanded the IQW
15 program to add the following measures as recommended in the Market
16 Potential Study ("MPS") IQW Plus Program: Exterior Light Emitting Diodes
17 ("LEDs"), Specialty Compact Fluorescent Lamps ("CFLs"), Smart Power
18 Strips and Duct Repair/Seal/Insulation.

19

20 • Multi-Family Retrofit Program – The program was originally proposed only in
21 2016 with the option of potential expansion based on program performance
22 and EM&V. Vectren South added this program for 2017 at the same
23 moderate levels included in 2016 with the same recommendation for the OSB
24 to potentially expand further in 2017 based on positive performance and
25 EM&V.

26

27 • Conservation Voltage Reduction ("CVR") – The implementation costs and
28 savings estimates received for the initial plan required two (2) substations to
29 be implemented to demonstrate a cost effectiveness score above a 1.0 Total
30 Resource Cost ("TRC") test. The implementation costs provided included
31 software that could be leveraged to implement the technology on up to five (5)
32 substations. Vectren South had proposed the first substation to be
33 implemented in 2017 with the second to be implemented in 2018. The OSB
34 raised concerns over the program not being cost-effective during the plan
35 years of 2016 – 2017. Based on these concerns, Vectren South conducted
36 additional research on the appropriate savings level to utilize and obtained
37 further clarification on the implementation costs as follows:

38

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- Estimated savings – Vectren South's EM&V provider, The Cadmus Group, conducted research and suggested that Vectren South increase the estimated savings level from 2.0% to 2.5%
 - Implementation costs – The vendor who initially provided the implementation cost estimates was able to provide pricing at the circuit level versus paying upfront cost for five substations
 - Based on the updated savings of 2.5% and the modified costs estimates for software for 4 circuits/1 substation, Vectren South was able to modify the 2016 – 2017 Plan to include a single CVR implementation in 2017 that demonstrated cost-effectiveness with a TRC of 1.26.
- Strategic Energy Management ("SEM") – Based on additional discussion with the OUCC, Vectren South removed SEM as a stand-alone program in the 2016 – 2017 Plan. Vectren South added an SEM component as a pilot initiative as part of the C&I Custom Program with a reduced budget. As agreed with the OUCC, no savings were added to the Custom Program for the SEM pilot initiative.

Q. Were there any modifications or recommendations raised by the OSB prior to the date Vectren South filed its 2016 – 2017 Plan that Vectren South did not address?

A. No.

Q. Were any of the programmatic issues now being raised in the OUCC's and CAC's testimony raised prior to the date Vectren South filed its 2016 – 2017 Plan?

A. No.

Q. Would there have been potential benefits to raising these issues during the OSB process over the prior six months?

A. Yes, especially under the new regulatory approval process enacted by Senate Enrolled Act 412 ("SEA 412"). SEA 412 requires the Indiana Utility Regulatory Commission ("Commission") to either approve an electricity supplier's EE plan or reject it in total. This is a significant change from how EE plans have been previously approved by the Commission. Historically, modifications could be

1 approved in the Commission's order. The procedure outlined in SEA 412 is more
2 rigid. Vectren South believes that under this new procedure, raising
3 programmatic changes for the first time during the Commission-approval
4 proceeding is inefficient and places the seamless continuation of EE programs at
5 risk. While I recognize that Vectren South and the stakeholders may not agree
6 and that Commission resolution of programmatic differences may be necessary,
7 Vectren South would urge stakeholders to raise concerns before initiation of our
8 case-in-chief. To the extent agreement can be reached in advance, this
9 approach eliminates putting the Commission in the position of having to
10 disapprove a plan to address the recommendation of a stakeholder.

11
12 **III. VECTREN SOUTH'S CVR PROGRAM IS COST EFFECTIVE AND SHOULD**
13 **BE APPROVED**

14
15 **Q. Is Vectren South's proposed Conservation Voltage Reduction ("CVR") cost**
16 **effective?**

17 **A.** Yes. As included in my Direct Testimony in Petitioner's Exhibit No. 2, page 9,
18 lines 2-16, the single substation proposed to be implemented in calendar year
19 2017 is cost effective with a Total Resource Cost ("TRC") score of 1.26. Vectren
20 South began discussing this program with the OSB as early as January 2015.
21 During the initial planning stages, Vectren South incorrectly modeled the program
22 for cost effectiveness using a CVR software cost of \$1.5M. At that cost, two (2)
23 substations were required to make the program cost effective; however, after
24 discussions with the OSB, Vectren South went back to its vendor and discovered
25 that the \$1.5M price was the cost for CVR software for five (5) substations and
26 that the vendor could quote Vectren South a price for the software for one
27 substation at a time. Once Vectren South received the updated pricing
28 information, the Company modeled the program for cost effectiveness using the
29 software cost for one substation and discovered that installing CVR technology
30 on a single substation in 2017 results in a cost effective program. Prior to filing
31 its 2016 – 2017 Plan, Vectren South updated the document to reflect the true

1 TRC scores for the proposed CVR program and revised its testimony to reflect
2 the revised result, but it overlooked the discussion on page 58 during its update.
3 Therefore, Vectren South filed a corrected page 58 on October 20, 2016, which
4 accurately describes the cost effectiveness results and will offer the corrected
5 document into evidence at the hearing. While we regret missing the necessary
6 update on page 58, it is important to note that Vectren South communicated with
7 the OUCC, including Ms. Paronish, that it had updated its CVR cost analysis
8 after receiving clarification from vendors that the cost originally used reflected
9 software necessary for multiple circuits. As a result, we are surprised that the
10 OUCC did not recognize this as a mistake in 2016 – 2017 Plan given that
11 discussion.
12

13 **Q. CAC witness Mims said (p. 9) in her Direct Testimony in this proceeding**
14 **that Vectren South should use its “limited energy efficiency budget” to**
15 **increase participation in existing programs rather than funding programs**
16 **like CVR. Do you agree?**

17 **A.** No, I do not agree. CVR has been identified as an emerging technology that
18 reduces power lost in the transmission and distribution system due to line and
19 other system losses. In a recent report from the American Council for an Energy
20 Efficient Economy (“ACEEE”), Steven Nadel listed several points related to CVR
21 energy savings that he said are worth noting, including the fact that the vast
22 majority of savings from CVR are on the customer side of the meter and energy
23 savings and peak load reductions, on a percentage basis, are similar. CVR is an
24 important program that will produce cost effective savings for Vectren South. It is
25 a viable program and is as important as other EE and demand response (“DR”)
26 programs included in the 2016 – 2017 Plan.
27

28 **Q. Has Vectren South commissioned an engineering study to assist with its**
29 **CVR planning efforts?**

30 **A.** Yes. On page 8, lines 24 – 31 of my Direct Testimony, I said that Vectren South
31 had engaged an engineering firm to conduct a study to help us determine the

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1 substation priority for installation of CVR technology and refine cost estimates. I
2 predicted that the study would be completed by late summer/early fall 2015 and
3 the Company recently received a draft report from the engineering firm that
4 conducted the study. Vectren South is currently reviewing the draft report and
5 will share it with the OSB once finalized. The study will be used for planning
6 purposes as we finalize implementation for 2017 and, more specifically, to
7 identify the top five (5) to ten (10) substations on which to install the CVR
8 equipment. In her Direct Testimony in this proceeding, Ms. Paronish said that
9 the Commission should not approve the CVR program because an engineering
10 study has not been submitted, but Vectren South disagrees. The study is nearly
11 complete and Vectren South is prepared to move forward with planning for
12 installation of the cost effective CVR technology on a single substation in 2017.
13 Even though we do not yet have a final document to share, we know through the
14 success of CVR-related EE programs of other utilities that CVR is an ideal option
15 for EE savings.
16

17 **Q. Does Vectren South have a plan for cost recovery associated with CVR**
18 **technology installed on substations with opt-out customers?**

19 A. Not at this time, but cost recovery for the substation on which CVR technology
20 will be installed in 2017 will not be proposed until the Company's DSMA 14 filing
21 to occur in the late summer or early fall of 2016. Therefore, Vectren South has
22 ample time to develop and propose a plan for cost recovery associated with CVR
23 technology installed on substations with opt-out customers. Vectren South will
24 share and discuss this plan with its OSB.
25

26 **Q. Has the Commission ever approved a CVR program that did not include a**
27 **detailed cost recovery plan for opt-out customers served by the substation**
28 **on which the CVR technology was installed?**

29 A. Yes. Indiana Michigan Power Company ("I&M") requested approval of cost
30 recovery of CVR technology, which they call Electric Energy Consumption
31 Optimization ("EECO") in Cause No. 44486 and received approval without a

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1 detailed plan for cost recovery. Subsequently in Cause No. 43287 DSM 4, I&M
2 proposed a cost allocation methodology that included opt out customers, which
3 was approved by the Commission.
4

5 **Q. Should the Commission include the proposed CVR program in the 2016 –**
6 **2017 Plan?**

7 **A.** Yes, it should include the proposed CVR program in the 2016 – 2017 Plan.
8 Installation of CVR technology on one substation in 2017 is cost effective as a
9 stand-alone program and should be approved.
10

11 **III. VECTREN SOUTH'S IQW PROGRAM SHOULD BE APPROVED AS**
12 **PRESENTED**
13

14 **Q.** Does Vectren South currently offer an income qualified weatherization
15 program?

16 **A.** Yes.
17

18 **Q.** Did Vectren South request any changes to the current Income Qualified
19 Weatherization ("IQW") program in the 2016 – 2017 Plan?

20 **A.** No. The Health and Safety component that Vectren South included in the 2016 –
21 2017 Plan for the IQW program is an existing component in the 2015 DSM
22 program design that was originally approved and agreed to by the OUCC in a
23 Settlement Agreement in Cause No. 44495. Vectren South did not modify this
24 component in the 2016 – 2017 Plan. Inclusion of a moderate health and safety
25 budget helps to mitigate a significant barrier to the installation of EE measures
26 that benefit low-income customers. Health and safety improvements are limited
27 to those necessary to allow installation of EE measures. Without the ability to
28 assist income qualified customers with these moderate health and safety issues,
29 many homes will not have the opportunity to be weatherized.
30

1 Q. Why are the health and safety improvements Vectren South is proposing to
2 make necessary to allow installation of EE measures?

3 A. Making necessary health and safety improvements to homes prior to installing
4 EE measures ensures that weatherization activities do not cause or exacerbate
5 health and safety problems for workers and customers. The moderate health
6 and safety improvements are undertaken by Vectren South to ensure that the
7 pending weatherization work does not create dangerous living conditions for its
8 customers. Health and safety activities are only conducted when necessary and
9 within reasonable cost boundaries that get the home to a condition where
10 weatherization work can move forward. By funding a reasonable level of health
11 and safety improvements for low income customers, it is Vectren South's intent
12 to ultimately improve both the structural safety and EE of the impacted home.
13 Such efforts are also undertaken by the Indiana Housing and Community
14 Development Authority in compliance with guidelines established by the United
15 States Department of Energy's Weatherization Assistance Program.
16

17 Q. Ms. Paronish claims that health and safety costs are not an EE measure.
18 Do you agree?

19 A. No, I do not agree. In fact, Ind. Code § 8-1-8.5-10(g)(1) includes "indirect costs"
20 as "program costs." Ms. Paronish is correct in that health and safety is not a
21 direct EE measure, but these improvements are necessary to install other EE
22 measures and are indirect costs that should be included as a recoverable
23 program cost.
24

25 Q. Do you agree with Ms. Paronish that Health and safety measures cost
26 should be borne by Vectren South's shareholders?

27 A. No. These are a legitimate cost incurred by Vectren South in pursuing EE
28 measures. Ms. Paronish provides no evidence or rationale for why these costs
29 are imprudent.
30

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1 Q. Please describe the Health and Safety component included as part of the
2 IQW program?

3 A. The Health and Safety component of the IQW program includes an average of
4 \$250 per household for subcontractors to use to remediate any moderate health
5 and safety issue identified through the assessment. The funds can be used to
6 assist with remediating issues such as gas leaks, venting repairs to furnaces and
7 water heaters, isolated electrical repairs, isolated furnace repairs and moisture
8 abandonment. Once the moderate issue is remediated this will allow the
9 weatherization work to be completed; therefore, Vectren South has included this
10 budget as part of the program implementation cost. For example, since the
11 health and safety component was added to the IQW program design in 2015, 33
12 homeowners, or roughly 10% of the total homes completed to date in 2015,
13 would have been turned away from the IQW services had Vectren South not
14 offered this health and safety assistance.

15
16 Q. Does the current IQW program include a refrigerator replacement
17 component?

18 A. Yes. The refrigerator replacement component that Vectren South included in the
19 2016 – 2017 Plan for the IQW program is an existing component in the 2015
20 DSM program design that was originally approved and agreed to by the OUCC in
21 a Settlement Agreement in Cause No. 44495. Vectren South did not modify this
22 component in the 2016 – 2017 Plan.

23
24 Q. How much cost was included in the IQW budget for refrigerator
25 replacements?

26 A. The 2016 – 2017 Plan included an assumption that the refrigerator would be
27 replaced in 50% of the homes treated by the program for each year. The budget
28 includes 282 refrigerator replacements each year in 2016 and 2017 with an
29 average cost of \$500 per unit.

1 Q. How will the IQW program implementer determine whether a refrigerator
2 replacement is warranted?

3 A. The following guidelines will be utilized by the IQW program implementer in
4 determining if a refrigerator replacement is necessary:

- 5 • The current refrigerator must be at least 10 years old;
- 6 • The current refrigerator must not be ENERGY STAR® rated;
- 7 • The current refrigerator must be 10 to 30 cubic feet in size;
- 8 • The current refrigerator must be used for primary food storage in the
9 primary kitchen;
- 10 • The current refrigerator must be working;
- 11 • The current refrigerator must be plugged into a properly grounded (3-
12 prong) outlet with no extension cords being used;
- 13 • The current refrigerator must be on a surface that has the strength to hold
14 a refrigerator; and
- 15 • The customer must still live at the same service address as where the
16 IQW was performed. If the customer no longer resides at that address, the
17 customer is no longer eligible.

18
19 Q. Did the OUCC voice any concerns about the Health and Safety or
20 Refrigerator Replacement components of the IQW program during the
21 planning process for the 2016 – 2017 Plan?

22 A. No. Vectren South first shared the draft plan with the OSB in January, 2015 and
23 requested feedback on the plan for several months prior to filing. At no time did
24 the OUCC raise concerns about the Health and Safety or Refrigerator
25 Replacement programs. In addition, those two components of the program have
26 been in operation since January 2015 and the OUCC has not, at any time, raised
27 any issues or concerns about them during OSB meetings. The OUCC had
28 several months to assist with shaping the plan. These two components have
29 been successfully integrated into the IQW program and to remove them now
30 would be a disservice to the low income customers in Vectren South's service

territory. Furthermore, the OUCC has not presented any evidence that those two components of the program are not reasonable.

IV. VECTREN SOUTH'S SMART THERMOSTAT IS DSM AND SHOULD BE INCLUDED IN THE 2016 – 2017 Plan

Q. OUCC witness Paronish claims that the Smart Thermostat program is not EE and should be removed from Vectren South's 2016 – 2017 Plan. Do you agree?

A. No, I do not agree. The Smart Thermostat program is a multi-faceted program that delivers both energy (kWh) and demand (kW) savings and should not be removed from Vectren South's 2016 – 2017 Plan. As with any new technology, there is rapidly growing, promising experience associated with the Smart Thermostat program. In a recent report, the American Council for an Energy Efficient Economy ("ACEEE") said, "Our midrange estimate of electricity savings from smart thermostats assumes 12% average savings; for our high estimate we use 15% and for our low estimate, we use 8%. These values represent likely potential savings based on early experiences with smart thermostats." While the Smart Thermostat program certainly has a DR component, it is not primarily DR and has been shown to deliver energy savings, as well. The smart thermostat is a DSM measure that includes both EE and DR and the program should remain in Vectren South's 2016 – 2017 Plan.

Q. Does Vectren South currently claim EE benefits from smart thermostats as part of the Residential Efficient Products program?

A. Yes. Vectren South added a smart thermostat rebate to the Residential Efficient Products program as part of the 2015 Plan approved by the Commission in Cause No. 44495. Vectren South is proposing the continuation of this rebate in the 2016 – 2017 Plan and utilized verified energy savings of 429 kWh per unit, which resulted from the independent evaluation completed by The Cadmus

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1 Group. The evaluation was filed with the Commission in Vectren South's case-
2 in-chief in this proceeding as Petitioner's Exhibit No. 2, Attachment MPH-3.

3
4 Since Vectren South will be installing, at no additional cost, a smart thermostat in
5 the homes of customers participating in the Smart Thermostat program, there will
6 be an EE benefit associated with the year-round use of the device coupled with
7 the DR benefit of the program. Vectren South utilized the same verified energy
8 savings of 429 kWh per unit for the Smart Thermostat program that is included in
9 the Residential Efficient Products program.

10
11 **Q. What is Ms. Paronish's rationale for rejecting the Smart Thermostat**
12 **program?**

13 A. She contends that SEA 412 expressly defines EE programs as excluding DR
14 programs. Public's Exhibit No.1, p. 10. I agree with her that the definition of EE
15 programs in SEA 412 expressly excludes DR, but SEA 412 does not prohibit DR
16 programs or change Indiana's long-standing process of including DR programs
17 as part of DSM programs. The Commission's rules applicable to DSM continue
18 to recognize that DR program costs may be recovered through a rate recovery
19 mechanism. 170 IAC 8-4-5(a).

20
21 **Q. OUCC witness Paronish recommends that Vectren South use the funding**
22 **earmarked for the Smart Thermostat program to expand the existing direct**
23 **load control ("DLC") program. How do respond to that suggestion?**

24 A. This recommendation reiterates Ms. Paronish's misconception that the Smart
25 Thermostat program is simply a DR program comparable to the direct load
26 control ("DLC") program that currently exists at Vectren South. The two
27 programs are not comparable, as the Smart Thermostat program offers both
28 energy and demand savings and provides for two-way communication. On the
29 other hand, the DLC program is exclusively DR and offers only one-way
30 communication. While the DLC program is effective for the purpose for which it
31 was implemented, the smart thermostat program will implement a new

1 technology that is considered a game-changer in the industry. In the same report
2 cited earlier in my testimony, ACEEE had this to say about smart thermostats,
3 "Smart thermostats are revolutionary technologies that have sparked customer
4 interest in a household device that long has been taken for granted. They offer
5 consumers a wide range of new capabilities and performance. For customers
6 most interested in reducing and managing their energy use, smart thermostats
7 are a positive, economical choice." Smart thermostats provide verifiable data to
8 quantify load reduction figures. This verifiable DR data is critical as Vectren
9 South considers long-term generation needs because the Company will be able
10 to validate the level of peak demand reductions that can be achieved through
11 advanced technologies like smart meters. Both Northern Indiana Public Service
12 Company ("NIPSCO") and Vectren South conducted studies of smart
13 thermostats, which were cited in the article, giving Indiana a place of prominence
14 in this space. Removing the program from Vectren South's 2016 – 2017 Plan
15 would be taking a giant step backward from the progress the Company and the
16 state of Indiana has made in this space over the last year or so.

17
18 **Q. In her Direct Testimony (p. 8), Ms. Mims indicated that Vectren South**
19 **proposes nearly 8,300 kW in peak demand reduction in 2016, but that the**
20 **2017 total drops down to 7,100 kW in estimated peak demand reduction.**
21 **Can you explain the reason for the decrease?**

22 **A.** The incremental peak demand savings is higher in 2016 versus 2017 because
23 Vectren South had planned to begin installing residential smart thermostats in
24 2016 with a planned incremental demand savings of 1,800 kW. The program will
25 then be evaluated in 2017 without additional thermostats being installed.
26 Additional thermostats would need to be installed in 2017 to match the
27 incremental demand achieved in 2016. Since the residential smart thermostat
28 program will be in place during 2017 the cumulative demand savings of the
29 program would still be available.

30
31
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V. OTHER PROGRAM RELATED ISSUES ASSOCIATED WITH THE 2016 – 2017 Plan

Q. Does Vectren South agree with the OUCC's recommendation to voluntarily withdraw the SEM component of the C&I Custom program in the 2016 – 2017 Plan?

A. Yes. Vectren South agrees to remove the SEM component from the C&I Custom portion of the 2016 – 2017 Plan. This program was scaled back from what was initially a stand-alone program to a component of the C&I Custom program. A portion of the C&I custom budget was initially earmarked for implementing the SEM program. While Vectren is amenable to the OUCC's recommendation to remove the program altogether, the Company suggests that the funds continue to be available for C&I Custom projects that arise through the ordinary course of business during the 2016 – 2017 Plan period.

Q. How does Vectren South respond to CAC Witness Mims' recommendation to add an upstream manufactured home program to the 2016 – 2017 Plan?

A. Vectren South is always willing to consider new programs as part of its EE portfolio and wants to ensure that all customer segments have the opportunity to benefit from the programs. Had the CAC raised this issue at an OSB meeting while the 2016 - 2017 Plan was developing, then Vectren South could have investigated the program at that time. However, adding an upstream manufactured new home program to Vectren South's 2016 – 2017 Plan at this point, when Vectren South has no experience with the program, is not prudent. Nevertheless, for 2016 and 2017, Vectren South is committed to working with the program implementer of the Home Energy Assessment ("HEA") and Weatherization program and the IQW program to ensure the direct marketing

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1 efforts of both programs include the customer segment who resides in
2 manufactured homes within Vectren South's service territory. Vectren South can
3 explore the upstream manufactured new home program for possible inclusion in
4 2018 and beyond, if the program is feasible in Vectren South's service territory.
5

6 **Q. Ms. Mims contends that Vectren South should clarify that its HEA and**
7 **Weatherization program, Residential Efficient Products, Residential**
8 **Behavioral Savings, IQW, and Appliance Recycling programs are available**
9 **to manufactured home owners and renters. Please address this**
10 **recommendation.**

11 **A.** Vectren South customers who reside in manufactured homes are eligible to
12 participate in the HEA and Weatherization program, Residential Efficient
13 Products program, IQW program and Appliance Recycling program. In addition,
14 Vectren South customers who reside in manufactured homes would not be
15 excluded from either the treatment or control groups associated with the
16 Residential Behavioral Savings program.
17

18 **Q. CAC Witness Mims recommended that Vectren South add a whole home**
19 **program to the 2016 – 2017 Plan. How do you respond to that**
20 **recommendation?**

21 **A.** It already exists. As part of the 2016 – 2017 Plan, Vectren South expanded the
22 HEA program to include the following additional weatherization measures at a
23 buy-down price of up to 40% of the installation costs as recommended in the
24 MPS for the Whole Home Plus program:

- 25 • Improved air sealing
- 26 • Duct sealing
- 27 • Attic insulation (R11-R38)
- 28 • Wall insulation (R5-R13)
- 29 • Knee wall insulation
- 30 • ECM motor replacement

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- LED 13 watt bulb (60 watt replacement)
- Programmable thermostat

Ms. Mims indicates in her Direct Testimony in this Cause that the additional measures Vectren South added and the participation levels associated with the HEA and Weatherization program are not transparent in the 2016 – 2017 Plan. However, the list of deeper retrofit weatherization measures that were added and proposed to be available at a buy-down price of 40% of the installation costs can be found in Petitioner's Exhibit No. 2, Attachment MPH-1, page 22. The participation levels that were included for these measures can be found in Petitioner's Exhibit No. 2, Attachment MPH-1, page 61. Vectren South has been transparent with the parties both in its Direct Testimony in this proceeding and as a member of the OSB prior to filing this case. Vectren South has shared this information and other information with the OUCC and CAC during the pendency of this case and before.

Q. How does Vectren South respond to CAC Witness Mims' assertion that the HEA and Weatherization program is not ramping up to meet the savings levels identified in the MPS?

A. The MPS was completed in 2012 and released in April 2013. During this time the Phase II Order was in effect and Vectren South was ramping up programs to meet a goal of 2% energy savings by 2019. Additionally, the Core Energizing Indiana HEA program required a significant level of marketing and outreach efforts to drive that level of participation. As a result of the enactment of Senate Enrolled Act 340 and SEA 412, Vectren South leveraged the MPS as a guide to determine program design, but built its 2016 – 2017 Plan to capture savings at a level of 1% of eligible retail sales to be consistent with the 2014 Vectren South IRP.

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1 Q. How does Vectren South respond to CAC Witness Mims' recommendation
2 to add a non-residential school audit direct install program to the 2016 –
3 2017 Plan?

4 A. In determining which Core programs that Vectren South would continue for 2015,
5 as approved by the Commission in Cause No. 44495, Vectren South did not
6 continue the school audit and direct install program as a standalone program in
7 2015. This decision was primarily based upon the lack of participation in this
8 program by the local school systems in Vectren South's territory in 2012 – 2014.
9 Schools who have not opted out of EE programs can receive similar benefits
10 through either the C&I Custom program or, for schools with a maximum peak
11 energy demand of 400 kW or less, the Small Business Direct Install program.
12 Vectren South will continue engaging in its marketing and outreach efforts to
13 ensure that all of its customers, including schools that have not opted out, know
14 about the programs offered by Vectren South and the benefits the programs
15 provide to its customer.

16
17 VI. CUSTOMER PARTICIPATION IN VECTREN SOUTH'S 2016 – 2017 PLAN
18

19 Q. Has Vectren South taken any steps to encourage C&I customers who are
20 eligible to opt-out to continue participating in the EE program?

21 A. Yes. On October 7, 2015, Vectren South hosted a training session that
22 highlighted C&I EE programs available and the benefits of making EE upgrades.
23 The event included speakers from the local EE industry with a focus on emerging
24 technologies. Invitations for this event, a copy of which is attached as Petitioner's
25 Exhibit No. 8, Attachment MPH-R2, were sent to the approximate thirty five (35)
26 Vectren South C&I customers who are eligible to opt out-out but have continued
27 to participate in EE programs. Ten (10) customers registered for the event and
28 six (6) customers attended with a total of eleven (11) staff members.

29
30 In addition, in the January 1, 2016 opt-out notification that was distributed to all
31 opt-out eligible customers, Vectren South strongly highlighted the benefits

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1 continued participation in Company sponsored EE programs. The communication
2 included case studies from two (2) opt-out eligible customers who have remained
3 in and continued to benefit from the EE programs that Vectren South offers to
4 C&I customers. This communication, a copy of which is attached as Petitioner's
5 Exhibit No. 8, Attachment MPH-R3, was distributed on October 26, 2015.

6
7 **Q. Has Vectren South taken any steps to encourage C&I customers who have**
8 **opted-out to opt back in to participation in Company sponsored EE**
9 **programs?**

10 A. Yes. In October 2015, Vectren South scheduled a training session to occur the
11 week of October 27, 2015 to highlight C&I EE programs available and the
12 benefits of making EE upgrades. The event was to include speakers from the
13 local EE industry with a focus on emerging technologies. Invitations for this
14 event, a copy of which is attached as Petitioner's Exhibit No. 8, Attachment MPH-
15 R4, were sent to the approximately forty (40) Vectren South C&I customers who
16 have opted-out of participating in EE programs. The event was cancelled due to
17 lack of interest with one (1) customer registering and two (2) customers
18 registering as tentative. Vectren South has reached out to meet with these
19 customers individually.

20
21 In addition, in the January 1, 2016 opt-out notification that was distributed to all
22 opt-out customers, Vectren South strongly highlighted the benefits to opting back
23 in to participation in EE programs. The communication included case studies
24 from two (2) opt-out eligible customers who have remained in and continued to
25 benefit from the EE programs that Vectren South offers to C&I customers. This
26 communication, a copy of which is attached as Petitioner's Exhibit No. 8,
27 Attachment MPH-R5, was distributed on October 26, 2015.

28
29 **Q. Is Vectren South opposed to implementing a Self-Direct program?**

30 A. No. However, given the level of C&I opt-out that Vectren South has experienced,
31 the lack of interest in participating in programs, and that Vectren South has no

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1 experience with this program, it is unreasonable to add a self-direct program in
2 Vectren South's 2016 – 2017 Plan. Vectren South is committed to working with
3 the OSB for possible inclusion of a self-direct program in 2018 and beyond, if the
4 program is feasible in Vectren South's service territory.

5
6 **VII. VECTREN SOUTH'S EM&V COSTS ARE REASONABLE AND FALL WITHIN**
7 **THE INDUSTRY AVERAGE**
8

9 **Q. Are Vectren South's EM&V costs associated with the 2016 – 2017 Plan**
10 **reasonable?**

11 A. Yes. The program costs that CAC Witness Mims references for 2017 do not
12 represent the total program cost that Vectren South utilized for establishing the
13 evaluation budget. Evaluation budgets were established using the full
14 implementation costs to run the program which results in total portfolio costs for
15 2017 of \$9,561,328. The \$8,114,891 for 2017 program costs that CAC witness
16 Mims used in her calculation includes only the depreciation and carrying costs for
17 the CVR program and not the total amount. Although the amount of \$8,114,891
18 is accurate for the budget amount that Vectren South is requesting recovery on, it
19 is not the full implementation costs of the portfolio for which evaluation budgets
20 are established.

21
22 Additionally, the EM&V costs for 2016 listed in Table 16, is also not accurate. In
23 Vectren South's response to the data request for CAC 2-7, an incorrect amount
24 of \$546,687 was listed in the footnote for the 2016 EM&V budget. The actual
25 EM&V portion of the 'Other' budget for 2016 is \$496,687 with the remaining
26 portion of \$300,000 for Outreach and \$50,000 for Direct Marketing of the
27 Residential Smart Thermostat Demand Response program. This was an
28 oversight on the part of Vectren South in responding to the data request.

29
30 The table below shows Vectren South's 2012-2014 Core Plus and 2015-2017
31 portfolio costs and EM&V budgets and demonstrates that EM&V budgets are

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reasonable per the planning guidelines of 3 to 6 percent. Vectren South's 2012-2014 Core portfolio costs and EM&V budgets are not included in the table below as those EM&V budgets were established by the Demand Side Management Coordination Committee's ("DSMCC") EM&V Subcommittee.

**Table 1. Vectren South's 2012-2014 Core Plus and
2015-2017 Portfolio Costs and EM&V Budgets**

Year	Program Costs	EM&V Budget	EM&V as a % of Total Program Costs
2012*	\$3,375,413	\$188,800	5.6%
2013*	\$4,502,769	\$233,000	5.2%
2014*	\$5,044,017	\$254,232	5.0%
2015	\$6,594,243	\$391,981	5.9%
2016	\$8,606,196	\$496,687	5.8%
2017**	\$9,561,328	\$513,943	5.4%

*Includes only Core Plus Program Costs and EM&V Budget

**EM&V budgets for the CVR program were modeled using 5% of the full implementation costs. The 2017 portfolio costs includes the total implementation costs for the CVR program. For cost recovery, Vectren South is requesting recovery of depreciation and carrying costs only.

Q. CAC witness Mims contends it was not prudent for Vectren South to use 2013 data in the formation of its 2016 – 2017 Plan, including the forecasting of lost revenues. Do you agree?

A. No. Vectren South began developing its 2016 – 2017 Plan in late 2014 and presented an early draft to the Oversight Board in January 2015, well before the 2014 EM&V results were finalized. In fact, final results of both the Vectren South 2014 Core and Core Plus evaluations were not finalized until May 1, 2015. As a result of time constraints, Vectren South did not update the 2016 – 2017 Plan with the final EM&V results from 2014. However, in development of the Operating Plan for 2016, per standard practice, Vectren South will utilize the final

1 EM&V results from 2014 where available. This Operating Plan will be submitted
2 to the OSB for review and approval after a Final Order in this proceeding is
3 issued.

4
5 **Q. Please explain why Vectren South's EM&V costs do not rely exclusively on**
6 **the Indiana Evaluation Framework.**

7 A. The Indiana Evaluation Framework as filed with the Commission in Cause No.
8 42693 S-1 was applicable only to the statewide Core Programs that were
9 managed by the DSMCC EM&V Subcommittee. The 2016 – 2017 Plan does not
10 include EM&V of Core programs that were under jurisdiction of the DSMCC
11 EM&V Subcommittee and therefore are not subject to the guidelines established
12 by the Indiana Evaluation Framework.

13
14 To establish the EM&V budgets associated with the 2016 – 2017 Plan, Vectren
15 South used the Indiana Evaluation Framework as a guide but also utilized the
16 National Action Plan for Energy Efficiency ("NAPEE") Model Energy Efficiency
17 Program Evaluation Guide which suggests that "...a reasonable spending range
18 for evaluation is 3 to 6 percent of program budgets." The only programs where
19 Vectren South did not use 3 – 6% as a guideline to form the EM&V budgets for
20 2016 and 2017 was the Residential Smart Thermostat Demand Response
21 program. After concerns were raised that both potential thermostat vendors
22 would not be able to supply the air conditioner ("AC") runtime data needed to
23 perform an accurate EM&V and comparative billing analysis, Vectren South
24 obtained an estimate from its independent evaluator, The Cadmus Group, for this
25 particular program. That estimate was used in modeling the cost benefit
26 analysis. The estimate provided for this program includes costs associated with
27 the installation of loggers for the AC units, which is a resource intensive
28 endeavor, as it is not confirmed that both prospective thermostat vendors will be
29 able to provide the AC runtime data needed to perform EM&V. Therefore, it is
30 possible that the EM&V costs planned for this program could be less than what

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1 was included in the 2016 – 2017 Plan, depending upon the availability of the AC
2 runtime data, which is important to verify savings.

3

4 **CONCLUSION**

5

6 Q. Does this conclude your rebuttal testimony in this proceeding?

7 A. Yes, it does.

8

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VERIFICATION

I, Michael P. Huber, Manager, Customer Planning and Sales, at Southern Indiana Gas & Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc., affirm under the penalties of perjury that the statements and representations in the foregoing Rebuttal Testimony are true to the best of my knowledge, information and belief.



Michael P. Huber

Dated: 10/20/15

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Vectren Electric & Gas Oversight Board Meeting

Date & Time

Thursday, January 22, 2015
2:00pm – 3:30pm EST

Meeting Location

Vectren Indianapolis Office

Conference Call Information

Dial-In Number: 888-557-8511
Access Code: 7216887

Participants

Vectren: Robbie Sears, Mike Huber, Rina Harris
OUCC: April Paronish, Brad Lorton, Ed Rutter
CAC: Lindsay Helmbock

Agenda Item	Presenter	Vote Requested
Review Previous Gas Meeting Minutes	Bill Gruen	No
Review Gas Program Progress to Date	Bill Gruen	No
Review Gas Scorecard	Bill Gruen/Rina Harris	No
Indiana Gas MPSAP Follow-up	Rina	No
Indiana Gas Program RFP Discussion	Rina	No
Revised Indiana Gas Operating Plan Update	Rina	No
Building Operator Certification Update	Rina	No
Review/Approve December Electric Meeting Summary/notes	Mike Huber	Yes
Review December Electric Scorecard	Mike Huber	No
2016-2018 Electric Plan	Mike Huber	No
Schedule Next Meeting	All	No

CLEARResults reviewed the prior gas meeting minutes, gas program progress to date and the December scorecard. Vectren provided updates on the Indiana Gas MPSAP Follow-up, Revised Indiana Gas

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2015 Operating Plan Update and the Building Operator Certification Update. Minutes for that portion of the meeting will be distributed by CLEARResults.

Vectren indicated plans to issues RFP's in the Spring. OSB approved Vectren to draft two Implementer RFPs for programs 2016 and beyond – one for Residential Gas and Electric programs and the other for Commercial Gas and electric programs. Vectren also discussed issuing an EM&V RFP for 2016 and beyond. The OUCC requested Vectren to estimate the potential cost to draft an EM&V RFP, including drafting, review time, and time during the bidder process. Vectren will share their analysis at the next OSB meeting in February.

The electric meeting minutes for December were voted on and approved by the CAC and Vectren. The OUCC abstained.

The December 2014 scorecard was reviewed and overall the Core Plus programs finished at 114% of meeting the targeted savings goal. All programs excluding Appliance Recycle and C&I Custom finished at or above planned savings targets. Top performing programs include Small Business Direct Install at 194% of goal, New Construction (194%), C&I New Construction (173%), Residential Behavior Savings (132%) and Residential HVAC (129%). The savings were exceeded without exceeding the Core Plus budget and we finished at 95% of the approved spend.

Core programs finished at 78% of meeting the targeted savings goal. All programs excluding School Audits and C&I Prescriptive finished at or above planned savings targets. C&I Prescriptive finished at 48% of the savings target and that program represents 63% of Core savings overall. Top performing programs include Residential Lighting at 135% of goal, School Education (126%), Home Energy Assessment (124%), and Income Qualified Weatherization (110%). Overall Core budgets finished at 88% of the budget.

Vectren distributed a summary of the programs in the draft 2016-2018 Electric DSM Plan. Vectren indicated the intent to file the plan in late March/early April. Vectren indicated that the plan was developed using Matthew Rose and EMI Consulting for initial program concepts. Dick Stevie and Integral Analytics will be performing the cost benefit tests. The plan was established using 1% of eligible customer sales as the planning target and an assumed C&I Opt-out level of 80%. The draft plan includes the continuation of all the programs in the 2015 DSM Plan with some enhancements to several programs. The draft plan also includes several Demand Response pilots and a Conservation Voltage Reduction Pilot. Vectren provided a brief description of each program and answered questions from the Oversight Board. Vectren will work to finalize the plan and indicated would keep the Oversight Board updated on the progress.

The next gas/electric OSB is scheduled on February 24th. This meeting is scheduled as a conference call from 10-11:30am EST.

000841



Vectren Electric & Gas Oversight Board Meeting

Date & Time

Tuesday, February 24, 2015
10:00am – 11:30am EST

Meeting Location

Conference Call

Conference Call Information

Dial-In Number: 888-557-8511
Access Code: 7216887

Participants

Vectren: Mike Huber, Rina Harris, Audrey Smith, Kasondra Bowman, Erin Spence
OUCC: April Paronish, Brad Lorton, Ed Rutter
CAC: Lindsay Helmbock

Agenda Item	Presenter	Vote Requested
Review Previous Gas Meeting Minutes	Bill Gruen	No
Review Gas Program Progress to Date	Bill Gruen	No
Review Gas Scorecard	Bill Gruen/Rina Harris	No
Indiana Gas MPSAP Follow-up	Rina	No
Building Operator Certification Update	Rina	No
EM&V RFP Update	Rina	No
Nest Update	Mike/Rina	No
Review/Approve January Electric Meeting Summary/notes	Mike Huber	Yes
Review January Electric Scorecard	Mike Huber	No
Electric Plan Update	Mike Huber	No
Schedule Next Meeting	All	No

CLEAResults reviewed the prior gas meeting minutes, gas program progress to date and the December scorecard. Vectren provided updates on the Indiana Gas MPSAP Follow-up, Building Operator Certification Update, EM&V RFP update and the Nest EM&V update. Minutes for that portion of the meeting was distributed by CLEAResults.

000842

The electric meeting minutes for January were voted on and approved by all parties.

The January 2015 scorecard was reviewed. Vectren indicated the scorecard was redesigned to remove the designation of Core and Core Plus programs as all programs are now Vectren administrated. Additionally greater detail on program measures has been added. Vectren asked the OSB to provide any feedback or concerns with the new format. January performance was reviewed. The scorecard only reflects savings of 3% of the annual goal. Savings for the Residential Lighting program were not reported in time by GoodCents for inclusion on the scorecard. This was in part due to the transition from statewide administration. There were Residential Lighting savings in January that will be included on the February scorecard. All other residential programs with the exception of School Kits, launched in January and achieved the planned savings. We did not have any Commercial/Industrial savings in January. This was primarily due to significant activity in December with many projects that had originally been targeted to payout in January but processed earlier than expected. The pipeline for C&I programs is strong and there are no concerns at this point with the ability to meet the annual savings target.

Vectren provided an update to the plan for the Vectren's filing of electric programs beyond 2015. In the January OSB meeting Vectren distributed a summary of the electric DSM programs being considered for a 3 year filing for 2016-2018. Based on the formation and likelihood of the passage of SB412, Vectren indicated the plan is being modified to a 2 year plan for 2016-2017. In addition to the two year plan, Vectren would show the Oversight Board a 3 year look to show what potential programs and budgets would look like in 2018. Vectren discussed the pros/cons of a 2 year plan including alignment with the IRP planning process. The OUCC and CAC asked about what other options that was considered including a 4 year filing similar to the gas filing. After some discussion it was determined to schedule a follow-up meeting on this topic. Vectren will send out dates/times that work in early March.

The next gas/electric OSB is scheduled on March 31st. This meeting is scheduled as a conference call from 10-11:30am EST.

000843



Vectren Electric & Gas Oversight Board Meeting

Date & Time

Tuesday, March 31, 2015
10:00am – 11:30am EST

Meeting Location

Conference Call

Conference Call Information

Dial-In Number: 888-557-8511
Access Code: 7216887

Participants

Vectren: Robbie Sears, Mike Huber, Rina Harris, Audrey Smith, Kasondra Bowman, Erin Spence
OUCC: April Paronish, Brad Lorton, Ed Rutter
CAC: Lindsay Helmbock

Agenda Item	Presenter	Vote Requested
Review Previous Gas Meeting Minutes	Bill Gruen	No
Review Gas Program Progress to Date	Bill Gruen	No
Review Gas Scorecard	Bill Gruen/Rina	No
Implementer RFP update	Rina/Mike	No
Building Operator Certification Update	Rina	No
EM&V RFI Update	Rina	No
Gas MPSAP discussion	Rina	No
Review/Approve February Electric Meeting Summary/notes	Mike	Yes
Review February Electric Scorecard	Mike	No
2016-2017 DSM Planning Cost Update	Mike	No
Schedule Next Meeting	All	No

CLEAResults reviewed the prior gas meeting minutes, gas program progress to date and the December scorecard. Vectren provided updates on the Indiana Gas MPSAP Follow-up, Building Operator

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Certification Update, EM&V RFI update and the Gas MPSAP. Minutes for that portion of the meeting was distributed by CLEAResults.

The electric meeting minutes for February were voted on and approved by all parties.

The February 2015 scorecard was reviewed. Overall, Residential Programs are at 13% of goal. The February scorecard for Residential Lighting includes savings for both January and February as the savings for January was not reported in time by GoodCents. The program is on track to meet goal. Appliance Recycling, Home Energy Assessments, Residential Efficient Products and Behavior Savings are all performing ahead of schedule/goal. Recycle and HEA can be throttled if necessary to manage the budget. Behavior Savings achieving higher than goal does not have any implication to budget. Vectren is closely monitoring the Residential Efficient Products program as it is 19% to goal and will keep the OSB updated. Overall, Commercial & Industrial Programs are at 3% of goal. The Custom Program had activity in February and is now at 11% of goal with a pipeline to meet goal by year end. The C&I Prescriptive Program has not had any savings to report so far this year however there are projects in the pipeline that will show savings on the March scorecards. The Small Business Direct Install Program had projects in February and is at 4% of goal. The pipeline for C&I programs is strong and there are no concerns at this point with the ability to meet the annual savings target.

Vectren provided an update on the expenses associated with developing the plan for 2016 and beyond. As part of the settlement agreement with Cause No. 44495, Vectren received approval to spend up to \$200K in developing this plan. The total spent to date in developing the 2016-2017 Plan is approximately \$46K. One of the proposed programs in the 2016-2017 Plan is Conservation Voltage Reduction (CVR). Vectren advised the OSB of its intent to commission an engineering study of the CVR Program in the 2nd half of 2015 at an approximate cost of \$50-\$75K. . The OSB asked for an explanation of the need for the study and clarification on how the study will differ from the evaluation results. Vectren explained current CVR program design and how the engineering study results will be utilized to finalize the program design. The OSB requested that Vectren send out additional clarification via email on this topic.

Vectren made the OSB aware of a request from Mike's Car Wash in Evansville to apply for an incentive on a micro-turbine as a potential Custom project. The OSB asked if more details could be shared on the project and Vectren indicated they were still awaiting more information but since a precedent has not been set for Vectren's program on how to handle this type of project involving Combined Heat and Power (CHP). As more details are received, Vectren committed to sharing with the OSB.

The next gas/electric OSB is scheduled on April 29th. This meeting is scheduled as an in-person meeting as a conference call from 11am-1:30pm EST at Vectren's office in Indianapolis.

000845



Vectren Electric & Gas Oversight Board Meeting

Date & Time

Wednesday, April 29, 2015
11:00am – 1:30pm EST

Meeting Location

Vectren Office, 101 W. Ohio, Indianapolis, IN

Conference Call Information

Dial-In Number: 888-557-8511
Access Code: 7216887

Participants

Vectren: Mike Huber, Rina Harris, Michelle Quinn, Shawn Kelly
OUCC: April Paronish, Ed Rutter, Jeff Reed
CAC: Lindsay Helmbock

Agenda Item	Presenter	Vote Requested
Review Previous Gas Meeting Minutes	Bill Gruen	No
Review Gas Scorecard	Bill Gruen/Rina	No
Gas Mid Year True Up	Bill Gruen	No
Targeted Income Program	Rina	No
Implementer RFP update	Rina/Mike	No
Building Operator Certification Update	Rina	No
EM&V SOW (RFI) Update	Rina	No
Review/Approve March Electric Meeting Summary/notes	Mike	Yes
Review March Electric Scorecard	Mike	No
2016-2017 Electric DSM Plan Discussion	Mike	No
Schedule Next Meeting	All	No

CLEARResults reviewed the prior gas meeting minutes, gas program progress to date and the March scorecard and gas mid-year true up. Vectren provided updates on the Targeted Income Program, Implementer RFP, Building Operator Certification Update and the EM&V SOW. Minutes for that portion of the meeting were distributed by CLEARResults.

000846

The electric meeting minutes for March were voted on and approved by all parties.

The March 2015 scorecard was reviewed. Overall, Residential Programs are at 22% of goal. Appliance Recycling, Home Energy Assessments, Residential Efficient Products and Behavior Savings are all performing ahead of schedule/goal. Recycle and HEA can be throttled if necessary to manage the budget. Behavior Savings is achieving higher than the savings goal does not have any implication to the budget. Vectren is closely monitoring the Residential Efficient Products program as it is 38% to goal and as part of the mid-year review of programs will need to consider shifting budget from other programs to keep this program running through the end of the year. Overall, Commercial & Industrial Programs are at 5% of goal. The Custom Program is now at 15% of goal with a pipeline to likely exceed the savings goal by year end. The C&I Prescriptive Program had savings in March and is at 1% of the savings goal however there are projects in the pipeline that will show savings on the March scorecards. The Small Business Direct Install Program is now up and running and is at 5% of goal with no concerns at this point in being able to meet the year end goal. The pipeline for overall C&I programs is strong and there are no concerns at this point with the ability to meet the annual savings target.

The OSB discussed the 2016-2017 Electric DSM Plan. Vectren discussed the changes to Plan since the last discussion in January. The OSB discussed the changes and Vectren committed to updating the Plan accordingly and to distribute an updated draft Plan by EOD of May 12th for OSB review. Vectren indicated the intent to file the Plan by the end of May.

The next gas/electric OSB is scheduled on May 27th. This meeting is scheduled as a conference call from 9:30am-11:00am EST.

000847



Vectren Electric & Gas Oversight Board Meeting

Date & Time

Wednesday, May 27, 2015

9:30am – 11:00am EST

Meeting Location

Conference Call

Conference Call Information

Dial-In Number: 888-557-8511

Access Code: 7216887

Participants

Vectren: Mike Huber, Rina Harris, Shawn Kelly, Robbie Sears, Audrey Smith, Erin Spence, Kasondra Bowman, Josh West

OUCG: April Paronish, Ed Rutter, Barb Smith

CAC: Lindsay Helmbock, Kerwin Olson

Agenda Item	Presenter	Vote Requested
Review Previous Gas Meeting Minutes	Bill Gruen	No
Review Gas Program Progress to Date	Bill Gruen	No
Review Gas Scorecard	Bill Gruen/Rina	No
Implementer RFP update	Rina/Mike	No
Building Operator Certification Update	Rina	No
EM&V SOW Update	Rina	No
Review/Approve April Electric Meeting Summary/notes	Mike	Yes
Review April Electric Scorecard	Mike	No
Electric C&I Incentive Budget Adjustments	Mike	Yes
Electric 2016-2017 Plan Discussion	All	No
Schedule Next Meeting	All	No

CLEAResults reviewed the prior gas meeting minutes, gas program progress to date and the March scorecard and gas mid-year true up. Vectren provided updates on the Implementer RFP, Building

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Operator Certification Update and the EM&V SOW. Minutes for that portion of the meeting were distributed by CLEARResults.

The electric meeting minutes for April were voted on and approved by all parties.

The April 2015 scorecard was reviewed. Overall, Residential Programs are at 33% of goal and on pace to meet annual savings targets overall. Home Energy Assessments, Residential Efficient Products and Behavior Savings are all performing ahead of schedule/goal. Residential Products is well ahead of schedule and will require additional funding. Vectren is in the process of a mid-year review and will present options to the OSB during the June meeting. Home Energy Assessments can be throttled if necessary and Behavior Savings is achieving higher than the savings goal does not have any implication to the budget. Overall, Commercial & Industrial Programs are at 11% of goal. The Custom Program is now at 33% of goal and had a very strong month in April with a pipeline of confirmed projects that will exceed annual savings targets. The C&I Prescriptive Program and Small Business Direct Install Programs are both at 6% of the savings goal and New Construction is at 28% of the goal. Small Business Direct Install can be throttled up or down to help manage budgets. Overall, there is no concern with C&I programs ability to meet the annual savings target.

Vectren discussed the request submitted to the OSB on May 21st with regard to C&I Programs. As a recap, Vectren requested approval to shift incentive budget from the C&I Prescriptive, C&I New Construction and Small Business Direct Install to the C&I Custom Program. Currently, the C&I Custom Program have confirmed projects to be paid in 2015 that would require additional incentive funding of approximately \$335K. Vectren proposed to shift approximately \$215K from Small Business, \$100K from C&I Prescriptive and \$21.5K from C&I New Construction. Both the OUCC and CAC inquired as to how this shift would impact the other programs ability to meet the established savings goal for each program. Vectren indicated they would confirm and send out clarification to the group. The vote on the funding shift was tabled pending that clarification.

Vectren asked the OSB if there were any follow-up questions with regard to the 2016-2017 Electric DSM Plan and the votes by both the CAC and OUCC to not approve. Both parties indicated the primary concerns were policy related and no discussion occurred as legal representation was not present. The CAC requested clarification to Vectren's response to a question on SB412 compliance from an email on May 14th and indicated they did not believe Vectren had responded to all the questions. The OUCC concurred. Vectren committed to reviewing the questions again and to send out another response. Vectren inquired as to if either party had any questions with regard to the programs included in the 2016-2017 Plan and was advised they did not have any issues at this point however they were still reviewing the program details. The OUCC inquired as to when Vectren intends to file the 2016-2017 Plan and Vectren indicated intentions to file in early June.

The next gas/electric OSB is scheduled on June 23rd. This meeting is scheduled as a conference call from 9:30am-11:00am EST.

000849



Vectren Electric & Gas Oversight Board Meeting

Date & Time

Tuesday, June 23, 2015

9:30am – 11:00am EST

Meeting Location

Conference Call

Conference Call Information

Dial-In Number: 888-557-8511

Access Code: 7216887

Participants

Vectren: Shawn Kelly, Mike Huber, Rina Harris, Audrey Smith, Kasondra Bowman, Michelle Quinn

OUCC: April Paronish, Brad Lorton, Ed Rutter, Jeff Reed

CAC: Jesse Wyatt, Jennifer Washburn

Agenda Item	Presenter	Vote Requested
Review Previous Gas Meeting Minutes	Bill Gruen	No
Review Gas Program Progress to Date	Bill Gruen	No
Review Gas Scorecard	Bill Gruen/Rina	No
Integrated Program with Duke	Rina	No
EM&V Framework Update	Rina	No
EM&V SOW Update	Rina	No
Implementer RFP update	Rina/Mike	No
Review/Approve May Electric Meeting Summary/notes	Mike	Yes
Review May Electric Scorecard	Mike	No
Mid-Year Electric Program Budget	Mike	Yes – timing to be discussed during meeting
2014 Performance Incentive	Mike	Yes – timing to be discussed during meeting
St. Mary's Hospital C&I Custom Project	Mike	Yes
Schedule Next Meeting	All	No

CLEAResults reviewed the prior gas meeting minutes, gas program progress to date and the March scorecard and gas mid-year true up. Vectren provided updates on the Integrated Program with Duke,

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EM&V Framework and EM&V SOW. Minutes for that portion of the meeting were distributed by CLEARResults.

Vectren provided an update on the Implementer RFP for the integrated gas/electric residential and C&I programs. Vectren had initially received over 20 intents to bid however as of bid deadline on June 22nd, there were 6 residential bids received and 7 C&I bids received. The OSB agreed to meet in-person on July 1st at Vectren's Indianapolis office to review/discuss the bids received with the goal to determine the list of bidders whom will be invited to meet in-person with the OSB for a formal presentation. Vectren indicated they would send out a scheduling poll to determine the dates the in-person presentations will occur. Due to schedules these presentations will likely occur in late July or early August.

The electric meeting minutes for May were voted on and approved by all parties.

The May 2015 scorecard was reviewed. Overall, Residential Programs are at 40% of goal and on pace to meet annual savings targets overall. Residential Efficient Products and Behavior Savings are all performing ahead of schedule/goal with Efficient Products requiring additional incentive funding to continue the program through the end of year. All other residential programs are scheduled to meet savings goals. New Construction is currently at 33% of the goal. There was OSB discussion on this program and if realistically can meet goal. Vectren indicated in working with the implementer, CLEARResult, based on discussions with key builders there is enough of a pipeline by year end to meet the goal. Vectren will monitor this program closely. Overall, Commercial & Industrial Programs are at 13% of goal. The Custom Program is now at 33% of goal and has a very strong pipeline of confirmed projects that will exceed annual savings targets. The C&I Prescriptive Program and Small Business Direct Install Programs are at 8% and 10% of the savings goal and New Construction is at 28% of the goal. Vectren had requested and received OSB approval in May to throttle both Small Business and Prescriptive in order to shift incentive funding to Custom and New Construction. This will enable the portfolio of C&I programs overall to meet the savings goal and also stay within budget. Overall, the portfolio is at 30% of the savings goal and is projecting to finish the year slightly above the savings goal.

Vectren reviewed the 2015 Mid-Year Budget summary that was distributed to the OSB on June 22nd. Overall the portfolio is projecting to exceed the saving goal by 104% which will also require spending 104% of the approved budget. The OSB has authority to increase the budget by up to 10% of the approved budget. Most residential programs are forecasting to meet both savings and budget targets however Residential Efficient Products is forecasting to exceed both the budget and savings target by 150% and requires additional funding to maintain the program through the end of the year. The C&I portfolio is targeting to meet the savings goal without requiring additional funding. Vectren also indicated that approximately \$25K of the additional funding required is due to Core EM&V. The OSB discussed the factors that may have led to create the need for additional EM&V funding. The OSB requested that Vectren confirm with Cadmus the budget required to finish the 2014 EM&V. Vectren committed to confirming this amount and following up with the OSB prior to June 26th. In total, Vectren is requesting the utilization of flexible funding for an amount up to \$250K. The OSB agreed to vote on this request on July 1st during the in-person meeting to review implementer RFP proposals.

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Vectren reviewed the 2014 Performance Incentive results. Vectren indicated that Matthew Rose completed the cost benefit screening of the Core Plus programs that were included in the calculation. Matthew Rose worked with Vectren on the 2014 DSM Plan and performed the initial cost benefit results. The OUCC requested additional data that was utilized to derive the net present value of the results. Vectren agreed to obtain this detail from Matthew Rose and send out to the OSB. Vectren reviewed the calculation and indicated that the evaluated results for both energy and demand exceeded 100% of the planned savings therefore the maximum payout of 12% of the approved budget was utilized. For C&I, the evaluated energy savings was above 100% of the planned energy savings however evaluated demand savings was only 73% of the planned energy savings. Vectren indicated the reason demand savings were lower than planned was due to a significant number of Custom projects that included exterior lighting that does not result in peak demand savings. Overall, the requested 2014 Performance Incentive is \$398,506. The OSB agreed to vote on this during the July 1st in-person meeting to review implementer RFP proposals.

Vectren requested a vote on approval of a Custom project for St. Mary's hospital that exceeds the \$100K limit. The OSB has to approve any project for a customer who exceeds \$100K at a single location/meter. St. Mary's received an incentive for \$100K in May therefore this additional project requires approval. Vectren had requested approval on this project via email earlier in June with a vote requested during this meeting. The OSB voted to approve the project.

The next gas/electric OSB in July would typically be held in-person. Since the OSB is meeting in-person early in July to review implementer RFP's, the OSB agreed it would be more practical to conduct the July meeting via conference call. This meeting was scheduled on July 22nd from 9:30am-11:00am EST.

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Emerging Technology Training

Breakfast and Networking Event

Enjoy breakfast on us!

Vectren would like to invite you to our comprehensive **Emerging Technology Training** session. Learn the latest trends in emerging technology from industry leaders for building, upgrading and retrofitting new and existing facilities.

By the end of the session, you will reap the benefits of how energy efficient equipment can earn you instant rebates and annual energy savings using the Vectren rebate programs.

This speaker-packed event includes industry leaders with extensive expertise in their field to include:

Design Engineer

Amy Barrett—Hafer Associates (design)

HVAC

Jeff Achilles—Bryant Equipment (unitary equipment and controls)

Darren Savage—Carrier (chillers, boilers, and controls)

VFD

Jeff Thomas—Graybar (variable speed drive)

Lighting

Ron Williams—Lithonia (lighting equipment and controls)

Building Analytics

Tony Marino—Schneider Electric (building controls)

Date: Wednesday, October 7, 2015

Time: 7:45 a.m. Breakfast and
Networking
8:15—11:30 a.m. Training

Location: Vectren Corporation
One Vectren Square
Evansville, Indiana 47708

Parking: Park on the street, not in the
Vectren parking lot. Additional
parking is available in the
Tropicana parking garage.
Please check with security
upon arrival.

Vectren energy specialists will be on-hand to address any questions or concerns.

For further information,
please contact Darline Moore:
812.270.1541
dmoore@nexant.com



000853



Vectren Energy Delivery
P.O. Box 209
Evansville, IN 47702

«GreetingLine»

In accordance with Senate Enrolled Act 340 (SEA 340), large usage customers have the opportunity to “opt out” of participation in current and any future electric energy efficiency programs provided by Vectren. As of today, your company **has not** opted out of the programs, and we encourage you to continue to participate as the Vectren energy efficiency programs continue to provide great benefits to participating customers. Other large usage customers that have participated in our programs in the past have received incentive payouts averaging around \$20,000 with average annual energy savings of around 235,000 kWh.

If you wish to opt out of the energy efficiency programs beginning in 2016, **please complete the Opt-Out Form and return it to the address on the form by Nov. 15, 2015**. Once you opt out of the program, you may opt back in effective January 1 of any subsequent year by providing notice by November 15 of the prior year. Please note, SEA 340 provides that once you opt back in to participation in Vectren's electric energy efficiency programs, you must participate for at least three years and will remain responsible for applicable energy efficiency program costs and lost margins for the remainder of the three-year period.

You do not need to opt out each year.

Opt-out customers must still pay for the costs of programs implemented prior to their opt-out date (Spring 2010 – Dec. 31, 2015), and keep in mind, the costs associated with the energy efficiency upgrades will be recovered over the next several years.

Once your opt out becomes effective, **you will no longer be eligible** for any incentives through any electric energy efficiency programs offered by Vectren for sites/accounts that have opted out of participation. However, if a project is completed at a site prior to the effective date of the opt-out, but payment has not yet been processed, you are still eligible to receive payment of that incentive.

Included for your review are a few examples of how other businesses, like yours, have worked with Vectren to save on energy costs and become more energy efficient.

Please don't hesitate to reach out with questions or concerns.

Sincerely,

Shawn Kelly
Director, Energy Efficiency

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Electric Energy Efficiency Program Opt-Out Form

Complete this form to notify Vectren if your qualifying account(s) will not participate in Vectren's energy efficiency program, known as the Demand Side Management (DSM) Program. In order to opt out effective Jan. 1, 2016, please return this form on or before Nov. 15, 2015, to:

Ann-Marie Schapker
email: aschapker@vectren.com
fax: 812-491-4604
mail: One Vectren Square, Evansville, IN 47708

This completed form must be returned to Vectren by Nov. 15, 2015, to opt out of the DSM Programs effective Jan. 1, 2016. For more information about these programs visit www.vectren.com/saveenergy. After Nov. 15, 2015, forms must be received by Nov. 15, 2016, to opt out effective Jan. 1, 2017.

By opting out, the applicable Demand Side Management Adjustment (DSMA) of Appendix B will not be charged for each account located within a Single Site with Qualifying Load. Note that customers who opt out will remain responsible for DSM Program Costs and lost margins that accrued, were incurred or relate to DSM investments made before Jan. 1, 2016, and will be billed for those costs in accordance with Appendix B beginning Jan. 1, 2016.

Please check the box to acknowledge the statement below.

☐ We hereby notify Vectren of our election, pursuant to Ind. Code 8-1-8.5-9(f), not to participate in any Vectren DSM Programs at our eligible sites. We understand that to be eligible to opt out of DSM Programs, we must have more than 1MW of electric demand at a Single Site. We also understand that this opt out will be effective as of Jan. 1, 2016. We further understand that we will remain responsible for DSMA costs that accrued, were incurred or relate to DSM investments made before Jan. 1, 2016.

Definitions

Demand Side Management Adjustment (DSMA): Mechanism utilized by utilities to collect DSM Program Costs.

Demand Side Management (DSM) Program: A program sponsored by Company or a third party implementer designed to implement energy efficiency improvements (as defined in 170 IAC 4-8-1(j)) for customers. The term does not include a program designed primarily to reduce demand.

Demand Side Management (DSM) Program Costs: Energy efficiency program costs and incentives approved by the Commission. The definition also includes reconciliation of such costs.

Qualifying Load: A Single Site with at least one meter constituting more than one megawatt of electric demand from an electric supplier for any billing period within the previous 12 months prior to the qualifying customer providing opt out notice to company. Qualifying Load shall be measured with a demand meter.

Single Site: Contiguous property on which Qualifying Load is located.

Complete this section with information about the person at your company who is authorized to make decisions concerning this form and your Vectren account. In addition, provide your company information, as it appears on your Vectren bill and complete the form on page 2.

First and Last Name (please print)

Title

Company Name (as it appears on your bill)

Phone Number

Mailing Address 1

Fax Number

Mailing Address 2

Email Address

City, State, Zip

Signature

Date

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These sites will not be eligible to participate in Vectren's DSM Programs during the period of your opt out. Further information regarding the opt out process may be found in Appendix B.

- ▶ List all services associated with the qualifying account using more than 1MW electric demand at a Single Site.
- ▶ Vectren may be required to provide the Indiana Utility Regulatory Commission with a list of those industrial or large commercial customers that have opted out of participation.
- ▶ You may opt back in to the DSM Program effective Jan. 1 of any year by providing notice by Nov.15 of the previous year. Once you opt back in to the DSM Program, you must participate for at least three years after the date on which you opt back in and may only opt out effective Jan. 1 of the year following the third year of participation. If you opt out again before the end of the three-year period, you remain responsible for and must continue to pay rates that include the DSM Program Costs. See Appendix B for additional information.

Provide account information exactly as it appears on your Vectren bill. Complete all boxes that apply.		Demand Side Management (DSM)	Previously Received Incentive
Company Name as it appears on bill: _____			
Qualifying Account Number(s)	Facility Address (street, city, state, zip)	Opt Out	(if known)

If needed, use a separate document to list additional accounts, and include it where you submit this form to Mike Huber. If an DSM Incentive was received at the site, please simply check the box for any meter/account at that site.



Electric Energy Efficiency Program

See below to discover how other businesses, like yours, have worked with Vectren to save on energy costs and become more energy efficient. To learn how Vectren's electric energy efficiency program can help you strengthen your bottom line and reduce your energy usage, please contact Ann-Marie Schapker at aschapker@vectren.com.

■ St. Mary's Medical Center | Evansville, Ind.

Project Snapshot: Energy Assessment and Vectren Incentives

A no-cost energy assessment provided by Vectren in September 2013 identified many potential cost and energy-saving opportunities. The results St. Mary's Medical Center could expect from completing these energy saving opportunities included:



Improving the bottom line.
Cost savings of \$360,000, reducing annual energy costs by 11%.



Achieving considerable discounts on efficiency.
Cash incentives covering 25% of total costs that could save St. Mary's Medical Center \$240,000.



Gaining high return on investment.
51% ROI, which is a low-risk, high-reward investment.



Reaping rewards for every \$1 invested in energy efficiency.
St. Mary's Medical Center could save \$9 for every dollar invested over the lifetime of the improvements.

Project Results: Since receiving the no-cost energy assessment, St. Mary's Medical Center collaborated with Vectren to install seven of the 18 recommended projects, saving \$236,607 annually in energy costs while receiving \$204,645 in incentives. The average simple payback of the projects is just 3.7 years! St. Mary's Medical Center also has preapproved projects in progress with another \$130,351 savings and \$100,000 in incentives. Projects include garage lighting upgrades, new cooling tower; elimination of simultaneous heating/cooling in chapel, air distribution and heating ventilation and air conditioning (HVAC) controls retrofits; chiller replacement with variable frequency drive (VFD) and chiller optimization; new LED lamps/fixtures; and chiller tune-up.

■ Uniseal | Evansville, Ind.

Project Snapshot: New Construction with Energy Design Assistance

A comprehensive design review by Vectren of Uniseal's new Grove Street plant in December 2013 identified energy-saving opportunities through efficient lighting design and controls on the plant exhaust and ventilation system—with an estimated cost savings of \$82,000 annually.

Project Results: Uniseal collaborated with their design team and Vectren's New Construction program to incorporate the identified energy-saving opportunities. After construction was complete, Uniseal earned \$49,000 in incentives and will avoid \$80,852 in energy costs annually. Additionally, the design team received \$3,750 in incentives for assisting to identify and implement energy efficiency opportunities. The simple payback of the project is just under 3 years!

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Emerging Technology Training

Breakfast and Networking Event

Enjoy breakfast on us!

Vectren would like to invite you to our comprehensive **Emerging Technology Training** session. Learn the latest trends in emerging technology from industry leaders for building, upgrading and retrofitting new and existing facilities.

By the end of the session, you will reap the benefits of how energy efficient equipment can earn you instant rebates and annual energy savings using the Vectren rebate programs.

This speaker-packed event includes industry leaders with extensive expertise in their field to include:

Design Engineer

Amy Barrett—Hafer Associates (design)

HVAC

Jeff Achilles—Bryant Equipment (unitary equipment and controls)
Darren Savage—Carrier (chillers, boilers, and controls)

VFD

Jeff Thomas—Graybar (variable speed drive)

Lighting

Ron Williams—Lithonia (lighting equipment and controls)

Date: Wednesday, October 27, 2015

Time: 7:45 a.m. Breakfast and
Networking
8:15—11:30 a.m. Training

Location: Vectren Corporation
One Vectren Square
Evansville, Indiana 47708

Parking: Park on the street, not in the
Vectren parking lot. Additional
parking is available in the
Tropicana parking garage.
Please check with security
upon arrival.

Vectren energy specialists will be on-hand to address any questions or concerns.

For further information,
please contact Darline Moore:
812.270.1541
dmoore@nexant.com



000858



Vectren Energy Delivery
P.O. Box 209
Evansville, IN 47702

«GreetingLine»

In accordance with Senate Enrolled Act 340 (SEA 340), large usage customers have the opportunity to "opt out" of participation in current and any future electric energy efficiency programs provided by Vectren. Your company has decided to opt out of the programs, but we would like to remind you that you have the option to opt back in. Vectren's energy efficiency programs continue to provide great benefits to participating customers. Other large usage customers that have participated in our programs in the past have received incentive payouts averaging around \$20,000 with average annual energy savings of around 235,000 kWh.

If you wish to opt back in to the energy efficiency programs beginning in 2016, **please complete the Opt-In Form and return it to the address on the form by Nov. 15, 2015.** Please note, SEA 340 provides that once you opt back in to participation in Vectren's electric energy efficiency programs, you must participate for at least three years and will remain responsible for applicable energy efficiency program costs and lost margins for the remainder of the three-year period.

You do not need to opt out each year.

If you decide to stay opted out of programs, **you will continue to be ineligible** for any incentives through any electric energy efficiency programs offered by Vectren for sites/accounts that have opted out of participation.

Included for your review are a few examples of how other businesses, like yours, have worked with Vectren to save on energy costs and become more energy efficient.

Please don't hesitate to reach out with questions or concerns.

Sincerely,

Shawn Kelly
Director, Energy Efficiency

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Complete this form to notify Vectren if your qualifying account(s) will participate in Vectren's energy efficiency program, known as the Demand Side Management (DSM) Program. In order to opt in effective Jan. 1 of next year, please return this form on or before Nov. 15 to:

Ann-Marie Schapker
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fax: 812-491-4604
mail: One Vectren Square, Evansville, IN 47708

This completed form must be returned to Vectren by Nov. 15, 2015, to opt back in to DSM Programs effective Jan. 1, 2016. For more information about these programs visit www.vectren.com/saveenergy.

By opting in, the applicable Demand Side Management Adjustment (DSMA) of Appendix B will be charged for each account located within a Single Site with Qualifying Load.

Please check the box to acknowledge the statement below.

☐ We hereby notify Vectren of our election, pursuant to Ind. Code 8-1-8.5-9(f), to participate in any Vectren DSM Programs at our eligible sites. We acknowledge that we understand we must participate in the DSM Program for at least three years after the date on which our opt-in commenced and that if we terminate participation during the three-year period, we shall be responsible for DSM Program Costs and lost margins for the remainder of the three-year period.

Definitions

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Single Site: Contiguous property on which Qualifying Load is located.

Complete this section with information about the person at your company who is authorized to make decisions concerning this form and your Vectren account. In addition, provide your company information, as it appears on your Vectren bill and complete the form on page 2.

First and Last Name (please print)

Title

Company Name (as it appears on your bill)

Phone Number

Mailing Address 1

Fax Number

Mailing Address 2

Email Address

City, State, Zip

Signature

Date

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These sites will be eligible to participate in Vectren's DSM Programs effective Jan. 1 of the year following your notice to Vectren, and for a period of at least three years. Further information regarding the opt-in process may be found in Rider (#).

- ▶ List all services associated with the qualifying account using more than 1MW of electric demand at a Single Site.
- ▶ Vectren may be required to provide the Indiana Utility Regulatory Commission with a list of those industrial or large commercial customers that have opted in to participation.
- ▶ You may opt back out of the DSM Program effective Jan. 1 of any year by providing notice by Nov.15 of the previous year. However, if you opt out again before the end of the three-year period, you remain liable for and must continue to pay rates that include the DSM Program Costs. See Appendix B for additional information.

Provide account information exactly as it appears on your Vectren bill. Complete all boxes that apply.		Demand Side Management (DSM)
Company Name as it appears on bill: _____		
Qualifying Account Number(s)	Facility Address (street, city, state, zip)	Opt In

If needed, use a separate document to list additional accounts, and include it where you submit this form to Ann-Marie.



Electric Energy Efficiency Program

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■ St. Mary's Medical Center | Evansville, Ind.

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■ Uniseal | Evansville, Ind.

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