MEEA
MIDWEST ENERGY EFFICIENCY ALLIANCE

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Public Utility Commission of Ohio
Columbus, OH

MEEA Public Comments on PUCO Case 22-1024-AU-COI

The Midwest Energy Efficiency Alliance (MEEA) welcomes this opportunity to comment on PUCO's inquiry into the adoption of a demand response standard as established by the amendment of the federal Infrastructure Investment and Jobs Act (IIJA), Pub. L. No. 117-58, 135 Stat. 429, to the federal Public Utility Regulatory Policy Act (PURPA) of 1978, Pub. L. No. 95–617, 92 Stat. 3117, regarding demand-response practices, as codified in 16 United States Code (U.S.C.) 2621(d)(20).

The Midwest Energy Efficiency Alliance (MEEA) is a collaborative network, promoting energy efficiency to optimize energy generation, reduce consumption, create jobs and decrease carbon emissions in all Midwest communities. At MEEA, we leverage our expertise to be the Midwest's leading resource for our members, allies, policymakers and the broader sector to promote energy efficiency as the essential pathway to achieve a clean, affordable, equitable and sustainable future.

We see energy efficiency, and demand response, as the least cost foundation of the clean energy economy, creating immediate energy savings, providing career pathways, reducing emissions, improving new and existing buildings and boosting Midwest business and industries. MEEA develops connections and engagement opportunities for a diverse group of organizations to collaboratively create practical solutions. MEEA serves as a technical resource and promotes program and policy best practices and highlights emerging technologies, all to maximize energy savings, reduce costs, improve resiliency and lower energy burden.

MEEA supports PUCO's adoption of the PURPA demand response (DR) standard. As things stand in Ohio, DR is quite limited and does not fulfill its potential as an energy resource for the state's utilities. Adoption of the PURPA standard for DR is the first step for Ohio to be able to access federal funding for DR projects as allocated in the IIJA. By adopting the DR standard, not only do these funds become available, but the benefits of DR will start to accrue to Ohio's utility system and customers. These benefits[1] include:

- Increasing system resilience and reducing system impacts from customer energy use during peak load events, such as extreme weather events exacerbated by climate change.
- Enabling utilities to schedule their energy mix and/or market purchases more cost-effectively and to reduce requirements for ancillary services and peak capacity energy purchases at high marginal prices during emergency or other high-price events.
- Cost-effectively avoiding generation, power purchase, transmission & distribution, and system operations & maintenance costs for the utility system by shifting customer loads to off-peak periods and lowering demand in resource-constrained areas.

[1] National Energy Screening Project (NESP) 2020. *National Standard Practice Manual for Benefit-Cost Analysis of Distributed Energy Resources* (NSPM for DERs), Chapter 7. https://www.nationalenergyscreeningproject.org/national-standard-practice-manual/

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- Providing non-energy benefits to the host customer, including increased asset value and economic well-being.

By establishing demand response standards, PUCO will enable utilities to develop demand response programs that allow customers to adapt their energy use through four categories of actions – known in the demand-side management (DSM) industry as Shape, Shift, Shed and Shimmy:[2]

- *Shape* means DR that changes customer load profiles through price response or behavioral campaigns, with advance notice of months to days.
- *Shift* represents customers moving their energy consumption from times of high demand to times of lower demand and lower energy prices. Shift is an essential part of smoothing net load ramps associated with daily patterns of renewable energy generation.
- *Shed* describes curtailing energy loads to provide peak capacity and support the system in emergency or contingency events – at the statewide level, in local areas of high load, and on the distribution system.
- *Shimmy* uses loads to dynamically adjust demand on the system to respond to market signals and alleviate short-run ramps and disturbances at timescales ranging from seconds up to an hour.

MEEA's members represent a cross-section of the demand-side management industry, with many working on both energy efficiency and demand response efforts. Ohio's adoption of a DR standard will support increased investment and industry growth allowing our members and other companies to create jobs leading to downstream economic benefits for the people of Ohio.

Thank you again for this opportunity to comment on this commission inquiry. If you have any questions or want more detailed information, please contact Senior Research Analyst Greg Ehrendreich at gehrendreich@mwalliance.org. We hope MEEA can serve as a resource for PUCO as you continue to explore the re-establishment of demand-side energy resources in Ohio.

Regards,

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[2] Lawrence Berkeley National Laboratory (LBNL). 2016. *California Demand Response Potential Study Final Report: Charting California's Demand Response Future: Final Report on Phase 2 Results.* https://buildings.lbl.gov/publications/2025-california-demand-response