



May 17, 2010

Mrs. Sandra Squire  
Executive Secretary  
Public Service Commission of West Virginia  
201 Brooks Street  
Charleston WV 25301

BY HAND DELIVERY

CASE NO. 10-0261-E-P  
APPALACHIAN POWER COMPANY and  
WHEELING POWER COMPANY, both dba  
AMERICAN ELECTRIC POWER

Petition to initiate annual review and  
to update the ENEC rates currently in effect.

Dear Ms. Squire:

Please find for filing in the above-referenced proceeding,  
on behalf of the West Virginia Citizen Action Group, an  
original and twelve copies of the "TESTIMONY OF  
GARY ZUCKETT, DIRECTOR, WEST VIRGINIA  
CITIZEN ACTION GROUP." An additional copy is also  
enclosed to be date-stamped as filed and returned to me.  
Please contact me if you have any questions about this  
filing.

Very truly yours,

Thomas Rodd  
State Bar No. 3143  
Enclosures

cc: WVCAG  
See Certificate of Service

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PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON

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APPALACHIAN POWER COMPANY and  
WHEELING POWER COMPANY, both dba  
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Petition to initiate annual review and  
to update the ENEC rates currently in effect.

TESTIMONY OF GARY ZUCKETT, DIRECTOR,  
WEST VIRGINIA CITIZEN ACTION GROUP

**Q. Please state your name and identify yourself.**

A. My name is Gary Zuckett, PO Box 144, Pullman, WV 26421. I am testifying on behalf of the West Virginia Citizen Action Group ("WV-CAG"). I am WV-CAG's Director.

**Q. Why has WV-CAG intervened in this proceeding?**

A. The Demand-Side Management and Energy Efficiency ("DSM/EE") proposals in the instant case come as a result of a Commission Order in AEP's previous ENEC Case, No. 09-0177, in which WVCAG was permitted to intervene and present testimony in support of the inclusion of such proposals. WVCAG has a continuing interest in seeing that AEP implements robust DSM/EE programs that will benefit West Virginians.

**Q. What is the general position of the West Virginia Citizen Action Group with respect to the DSM/EE program proposals made by AEP in the instant ENEC Proceeding, in AEP's March 1, 2010 testimony?**

A. WV-CAG supports AEP's DSM/EE program proposals, and asks the West Virginia Public Service Commission to approve of AEP's implementation of these proposals. WVCAG believes that the proposals are a significant and important first step toward assuring that there is a robust and ever-improving set of DSM/EE programs in place for AEP customers in West Virginia.

WV-CAG does not have the expertise to evaluate the cost and cost recovery provisions of AEP's DSM/EE proposals. The results of more efficient use of electric power by customers will certainly stabilize and diminish future increases in rates associated with additional expensive new generating and distribution facilities and higher fuel costs. A modest increase in rates for efficiency services and incentives is well worth it.

As discussed below, WV-CAG believes that AEP should be required by the PSC to continue to develop and implement additional DSM/EE programs, including those programs that were recommended in the recent Summit Blue Report, but were not included in AEP's proposals in the instant ENEC proceeding. WV-CAG also suggests the inclusion of a semi-annual reporting requirement for AEP's EE/DSM programs that will keep the public and PSC abreast of progress on all programs they are introduced and implemented

**Q. What are WV-CAG's specific comments on AEP's DSM/EE program proposals?**

SMART Lighting -- the recent DSM/EE Task Force final report indicated that lighting is one of the most promising area of energy savings for both residential and commercial customers, based on experience in existing EE/DSM programs. WV-CAG

supports APCO's including the lighting portion of Summit Blue's proposed menu of "efficient appliance" measures. We would prefer that more of these appliance-related incentives had been also selected for inclusion in APCO's proposals, in addition to lighting.

Residential Home Retrofit -- WV-CAG supports this program, to be generally available to all residential customers and targeted for marketing specifically to those with higher than average monthly electric usage and median incomes. The three levels of information and audits available, including on-site inspection, energy-saving kits and recommendations, will go a long way in educating and motivating homeowners to save energy and money.

Residential low-income – WV-CAG supports the proposal to furnish low-income residents with comprehensive measures to curb energy use and reduce monthly bills. We are aware that some of the state-sponsored weatherization programs are struggling to keep up with a large infusion of federal stimulus funds, but in the long run, this is certainly one of the best ways to provide long-term benefits to people in need, and reduce overall demand for electric power.

Residential Heat Pump Water Heater Pilot Program – WV-CAG was surprised to see the inclusion of this program, but not the broader water heater upgrade incentive which was recommended in the Summit Blue report. Heat pump water heating does hold some promise for some residential and commercial water heating customers, but it is not appropriate for many homeowners, depending on usage and location of the water heater. WV-CAG prefers the Summit Blue recommended programs for residential water heater upgrades. WV-CAG questions the inclusion of a heat pump water heater pilot

program -- but not incentives for geothermal residential and commercial space heating and cooling.

C&I Prescriptive Incentive – WV-CAG supports what promises to be a major step to furnish commercial and industrial customers with information and incentives to upgrade lighting, HVAC systems, motors and controls, etc. Again, lighting is likely to be the single greatest avenue to achieve significant energy savings for this customer class.

Education and Training – WV-CAG supports education and training necessary to help these new programs grow and succeed.

**Q. Does WV-CAG believe that AEP's program proposals in the instant proceeding go far enough in moving AEP in the direction of a having a robust DSM/EE program in place in West Virginia?**

A. In a word, no. AEP contracted with Summit Blue to produce a state-specific recommended suite of integrated DSM/EE program proposals for West Virginia. AEP chose to adopt only a portion of Summit Blue's recommendations for inclusion in its proposal to the PSC in the instant proceeding. WV-CAG believes that *all* of the Summit Blue-recommended programs should be implemented by AEP. Therefore, WV-CAG asks the West Virginia PSC to require AEP to study and propose for inclusion in a DSM/EE supplemental plan, to be submitted with AEP's next ENEC filing, the following programs that were recommended by Summit Blue but not included in AEP's filing in the instant case:

- **Residential Efficient Products:** Target markets include new appliances, HVAC and domestic hot water heating equipment.
  - **Appliances:** The program targets the purchases of high efficiency refrigerators and freezers to replace existing units and works through a retailer network.

- **HVAC:** This program primarily targets the geothermal heat pump market, but may also include Energy Star air source heat pumps.
- **Hot water heaters:** Replacement electric hot water heaters would be targeted.
- **Residential Refrigerator/Freezer Turn-In Recycling:** This program targets customers who are currently operating second refrigerators and/or freezers. The customer would be offered free pickup and recycling of their old operable second refrigerators and freezers.
- **Residential New Construction:** New home construction is the target of this program. All builders are eligible to participate; however, those who are not currently Tier 1 Energy Star partners would be specifically targeted. Builders who participate would be provided with financial incentives to meet the Energy Star standard and to install premium level efficient equipment. They would gain access to incentives to cover approximately 30% of the cost to upgrade and certify each home. Homes would be certified based on HERS (Home Energy Rating System).

### **Business Sector**

- **C&I Custom:** This program is designed to cover any cost effective electric energy saving measure not addressed through other APCo programs. Customers would be eligible for incentive payments as a percentage of avoided costs and incentive components for energy and demand savings. APCo EE staff, customer service engineers/ reps and an implementation contractor would work with customers and market providers to identify and pre-qualify potential projects, review proposed projects, verify the installation of energy measures and evaluate their effectiveness.
- **C&I New Construction:** Commercial, industrial, government or institutional new construction are included in this program. A focus is on the building envelope, HVAC systems and lighting systems. Energy saving targets would be met by improvements in these three areas. Guidelines such as LEED®, Advanced Buildings, ASHRAE Advanced Energy Design Guides and Green Globes® would be used.
- **C&I Direct Load Control (Demand Response):** The goal of this program is to encourage customers to shift load away from peak demand periods and to reduce overall demand on the system during a peak period. Eligible customers are those with central air conditioning/heat pumps and, possibly, those with electric water heaters. Small C&I customers are the primary market.

The program would provide rate discounts to participants who allow APCo to cycle their air conditioners or heat pumps during peak demand periods. Summit

Blue recommends a rate discount of approximately \$5 per ton of air conditioning per peak month. APCO would specify the DLC switching technology.

### **Multi Sector Programs**

- **New Pilots/Emerging Technology:** APCo would initially focus on the success of other established, proven programs. Beginning in the second year of the portfolio, APCo would initiate research and analysis of other innovative technologies and strategies to reduce residential energy consumption. Pilot programs would then be rolled out as appropriate. Some program possibilities include:
  - Residential Power-Management - - - advanced power strips, whole-house switch
  - Residential HVAC equipment optimized for cold-climate performance
  - Promotion of LED lighting technologies
  - Focus greater attention on performance and installation quality of energy devices – HVAC – lighting – insulation

**Q. Is there additional information that WV-CAG wishes the Commission to consider?**

A. WV-CAG filed a supplement to its Motion to Intervene in the instant case that included the West Virginia-specific portion of a new Report by the Southeast Energy Efficiency Alliance, "State Profiles of Energy Efficiency Opportunities in the South," detailing potential energy efficiency savings in a number of states, including West Virginia. The Report looks at a variety of policy initiatives, including improved building codes, improved appliance efficiency standards, expanded home weatherization, retrofit incentives with increased equipment standards, geothermal heat pumps for commercial businesses, super-boilers for industry, and others. The Report indicates that 5000 jobs could be created in West Virginia related to efficiency improvements by 2020. WV-CAG asks the Commission to examine this Report, which

supports the current AEP DSM/EE proposals and the development and implementation of additional future DSM/EE program proposals by AEP.

**THIS CONCLUDES THE TESTIMONY OF GARY ZUCKETT.**

**RESUME OF GARY ZUCKETT**

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**Work experience**

2006-Present      WV Citizen Action Group  
Charleston WV  
Executive Director

1995 - 2006      WV Citizen Action Group      Charleston WV  
Various positions including Lobbyist, Development, Researcher,  
Campaigns

2004 - 2005      AFSCME Council 77      Charleston, WV  
Political & Legislative Advocate  
Represented State Employees Union at WV Legislature's regular  
sessions

1994 - 2004      Southern Appalachian Labor School      Paige, WV  
Environmental/Social/Economic Justice Organizer  
Community organizer for Universal Health Care, Environmental &  
Social Justice Issues

1998 - 2002      WV Healthy Kids Coalition      Charleston, WV  
Outreach Coordinator  
Coordinated community education, outreach and enrollment for the  
new Children's Health Insurance Program in five county area in cent  
WV.

1994 - 2004      WV Developmental Disabilities Planning Council  
Charleston, WV  
Contract Grant on Universal Health Care  
Worked on developing coalition in support of Universal Health Care

Education

1996 - 2000 WVU Institute of Technology Montgomery, WV  
BA (Regents) Communications & Public Policy

Community  
activities

2007-Present- Board of Directors, West Virginians for Affordable  
Health Care

1991 – Present – Board of Directors of WV Environmental Council  
(WVEC) and President of the Board from 1995 to 1997

1994 – 1995 – Board of Directors of WV Highlands Conservancy  
(WVHC)

1994 – Present – Board of Directors of Southern Appalachian  
Labor School (SALS)

2001-2003 – Board of Directors of Universal Health Care Action  
Network (UHCAN)

2001- 2006 – Board of Directors of Commission on Religion in  
Appalachia (CORA)



date May 17, 2019

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CERTIFICATE OF SERVICE

I, Thomas W. Rodd, counsel for the West Virginia Citizen Action Group do hereby certify that on this 17th day of May, 2010, a copy of the attached "TESTIMONY OF GARY ZUCKETT, DIRECTOR, WEST VIRGINIA CITIZEN ACTION GROUP" was served upon the following parties and/or counsel of record in this proceeding via First Class, U.S. Mail, Postage Prepaid:

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