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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of :
The Dayton Power and Light Company : Case No. 18-1875-EL-GRD
for Approval of Its Plan to Modernize Its :
Distribution Grid. :

In the Matter of the Application of :
The Dayton Power and Light Company : Case No. 18-1876-EL-WVR
for Approval of a Limited Waiver of :
Ohio Adm.Code 4901:1-18-06(A)(2). :

In the Matter of the Application of :
The Dayton Power and Light Company : Case No. 18-1877-EL-AAM
for Approval of Certain Accounting :
Methods. :

MOTION TO INTERVENE
OF
THE SMART THERMOSTAT COALITION

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The Smart Thermostat Coalition ("STC"),¹ pursuant to R.C. 4903.221 and Rule 4901-1-11, Ohio Administrative Code ("OAC"), hereby moves to intervene in the above-captioned proceedings, wherein The Dayton Power & Light Company ("DP&L") seeks, among other things, approval of a distribution modernization plan. As more fully discussed in the accompanying memorandum, STC has a real and substantial interest in this proceeding, and is so situated that the disposition of this proceeding may, as a practical matter, impair or impede its ability to protect that interest. Further, STC's interest in this proceeding is not represented by any existing party, and its participation in this proceeding will contribute to a just and

¹ STC is an *ad hoc* coalition comprised of Ecobee Inc. and Google, LLC, which are industry leaders in smart thermostat technology.

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expeditious resolution of the issues involved without unduly delaying the proceeding or unjustly prejudicing any existing party

WHEREFORE, STC respectfully requests that the Commission grant its motion to intervene.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'B. Royer', with a long horizontal flourish extending to the right.

Barth E. Royer (0016999)

Barth E. Royer, LLC

2740 East Main Street

Bexley, Ohio 43209

(614) 817-1331 – Phone

(614) 817-1334 – Fax

BarthRoyer@aol.com – Email

(will accept email service)

Attorney for

The Smart Thermostat Coalition

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MEMORANDUM IN SUPPORT
OF
MOTION TO INTERVENE
OF
THE SMART THERMOSTAT COALITION

By its December 21, 2018 application in Case No. 18-1875-EL-GRD, DP&L seeks approval of a distribution modernization plan (“DMP”), which, according to DP&L, will provide significant benefits to its customers by bringing them “personalized, innovative & seamless energy services enabled by transformative technologies.”² The DMP was filed pursuant to the terms of a Commission-approved stipulation in DP&L’s most recent ESP proceeding³ and the Commission’s PowerForward Roadmap,⁴ and includes among its features a proposal for the

² Application, 2.

³ See Case No. 16-395-EL-SSO

⁴ *PowerForward: A Roadmap to Ohio’s Electricity Future*, accessible at <https://www.puco.ohio.gov/industryinformation/industry-topics/powerforward/powerforward-a-roadmap-to-ohios-electricity-future/>.

deployment of smart meters, which, among other things, will set the stage for the implementation of a time-varying rate structure intended to provide energy savings to customers.⁵ In addition, the application states that “DP&L has developed an implementation timeline that is designed to maximize benefits to customers in the shortest timeframe.”⁶

The PowerForward Roadmap recognizes that measures that permit customers to manage their energy usage not only allow customers to control their costs but also “provide benefits and drive systemic benefits for the grid.”⁷ To this end, the PowerForward Roadmap states as follows:

The Commission encourages, in parallel with advanced meter deployment, that each EDU propose or amend an existing TOU rate design for SSO customers, which may include: real time pricing, block and index pricing, TOU pricing, variable peak pricing, critical peak pricing, and/or critical peak rebates. Further, the on-peak/off-peak ratio should be sufficient to provide a response from participating customers and the peak period duration and frequency should reasonably allow for participation from customers on the rate. The proposal may also include a rebate program for enabling technologies (e.g. smart thermostats) which can be paired with TOU rates offered through the SSO or through CRES provider offerings that utilize time-based pricing.⁸

Although the application contains a few vague references to enabling technologies,⁹ there is nothing in the DMP that addresses the specifics of the deployment of smart thermostats, without which customers will be unable to take full advantage of time-varying pricing. This omission is inconsistent with DP&L’s stated objective of maximizing the benefits to customers.

⁵ Application, 5.

⁶ Application, 7.

⁷ PowerForward Roadmap, 31.

⁸ *Id.*

⁹ See Application, 7; see also Prefiled Testimony of DP&L Witness Tatham, 10.

Not only are smart thermostats a natural adjunct of time-varying rates (i.e., smart thermostats automatically adjust the temperature for time-of-use rates while maintaining a customer's comfort by precooling and, in so doing, act as a form of energy storage by allowing customers to draw power from the grid when it is less expensive and ride through higher price periods), but smart thermostat technology also provides benefits to both EDUs and consumers regardless of the rate schedule involved by automating achieving energy savings and peak demand reduction.

In addition, timing is an issue because smart thermostats also complement smart metering as the Commission recognized in the PowerForward Roadmap, wherein the Commission stressed that, unlike earlier AMI deployments in the state, which focused on the benefits to the EDUs, the Commission expects future AMI deployments to enhance the customer experience as well via enabling technologies such as smart thermostats.¹⁰ The smart meter rollout and the deployment of smart thermostats will both require a significant customer education effort. Combining the smart meter rollout with a smart thermostat incentive would present an ideal and cost-effective opportunity to educate customers on both smart meters (devices that record granular intervals of energy usage data to inform time-varying rates) and smart thermostats (tools that enable automated response to time-varying rates to deliver customer savings). Thus, the smart meter rollout and the smart thermostat deployment efforts should proceed in tandem if the DMP is to achieve DP&L's objective of maximizing benefits to customers in the shortest timeframe.

Further, the failure to address smart thermostat deployment as a part of the DMP may have implications with respect to the reasonableness of the cost-benefit analysis offered by DP&L to support the plan.

¹⁰ See *PowerForward: A Roadmap to Ohio's Electricity Future*, 31.

R.C. 4903.221 provides that any “person who may be adversely affected by a public utilities commission proceeding may intervene in such proceeding.” STC seeks to participate in this proceeding to protect the interests of its members, who, as providers of smart thermostat technology, may be adversely affected by an ill-conceived and/or ill-designed AMI program that will not produce the results anticipated by the Commission in the PowerForward Roadmap due to its failure to incorporate enabling technologies.

Not only does STC satisfy the underlying statutory test, but it also satisfies the standards governing intervention set forth in the Commission’s rules.

Rule 4901-1-11(A), OAC, provides, in pertinent part, as follows:

(A) Upon timely motion, any person shall be permitted to intervene in a proceeding upon a showing that:

(2) The person has a real and substantial interest in the proceeding, and the person is so situated that the disposition of the proceeding may, as a practical matter, impair or impede his ability to protect that interest, unless the person’s interest is adequately represented by existing parties.

As a coalition of leading providers of smart thermostat technology, STC plainly has a real and substantial interest in a proceeding that will shape the smart thermostat program in DP&L’s service territory. As sellers of smart thermostat products in the Ohio market, STC’s members have an obvious interest in assuring the smart thermostats deployed in connection with any program approved have the capabilities necessary to provide the maximum benefit to DP&L’s customers. At this juncture, none of the pending motions to intervene in this proceeding have been granted. Thus, by definition, no existing parties adequately represent STC’s interest.

In addition, each of the specific considerations that the Commission, pursuant to Rule 4901-1-11(B), OAC, must take into account in applying the Rule 4901-1-11(A)(2), OAC,

standard also fully supports granting STC's motion to intervene. Rule 4901-1-11(B), OAC, provides as follows:

In deciding whether to permit intervention under paragraph (A)(2) of this rule, the commission, the legal director, the deputy legal director, or an attorney examiner case shall consider:

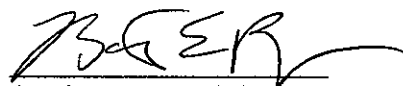
- (1) The nature and extent of the prospective intervenor's interest;
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case.
- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceedings.
- (4) Whether the prospective intervenor will significantly contribute to full development and equitable resolution of the factual issues.
- (5) The extent to which the person's interest is represented by existing parties;

First, as previously explained, STC's interest in this proceeding is direct and substantial. Second, the position that STC will advance has a direct relation to the merits of the application. Third, in view of the present posture of these cases, granting STC's motion to intervene will not unduly delay or prolong the proceeding. Fourth, STC's members have been frequent participants in energy efficiency initiatives in other states in which they do business. Thus, STC will bring the substantial experience and expertise of its members to bear on the question of what constitutes a properly conceived and properly designed smart thermostat program. Indeed, in granting STC's motion to intervene in the pending FirstEnergy grid modification case, the attorney examiner specifically found that "that STC's involvement will significantly contribute to the full development of the record in these proceedings, especially as to its interest in smart thermostat deployment and ensuring such deployment is consistent with the overall objectives of

the PowerForward initiative.”¹¹ Finally, not only are there no existing parties that represent STC’s interest, but it would be inconsistent with the Commission’s stated policy “to encourage the broadest possible participation in its proceedings”¹² to deny STC’s motion to intervene. Therefore, granting STC intervenor status is consistent with all the considerations set out in Rule 4901-1-11(B), OAC.

WHEREFORE, STC respectfully requests that its motion to intervene be granted.

Respectfully submitted,



Barth E. Royer (0016999)
Barth E. Royer, LLC
2740 East Main Street
Bexley, Ohio 43209
(614) 817-1331 – Phone
(614) 817-1334 – Fax
BarthRoyer@aol.com – Email
(will accept email service)

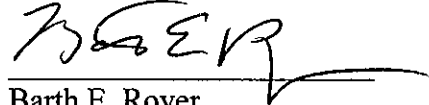
Attorney for
The Smart Thermostat Coalition

¹¹ *In the Matter of the Filing by Ohio Edison Company, The Cleveland Electric Illuminating Company And The Toledo Edison Company Of A Grid Modernization Business Plan*, Case No. 16-481-EL-UNC, *et al.* (Entry Dated January 29, 2019, ¶ 12).

¹² *See, e.g., Cleveland Elec. Illum. Co.*, Case No. 85-675-EL-AIR, Entry dated January 14, 1986, at 2.

Certificate of Service

I hereby certify that a copy of the foregoing was served upon the following persons by electronic mail this 25th day of February 2019.


Barth E. Royer

michael.schuler@aes.com
jsharkey@ficlaw.com
djireland@ficlaw.com
chollon@ficlaw.com
fdarr@mwncmh.com
mpritchard@mwncmh.com
mkurtz@BKLawfirm.com
kboehm@BKLawfirm.com
jkylersohn@BKLawfirm.com
mfleisher@elpc.org
Bojko@carpenterlipps.com
Dressel@carpenterlipps.com
slesser@calfee.com
talexander@calfee.com
mkeaney@calfee.com
Paul@carpenterlipps.com
Dutton@carpenterlipps.com
terry.etter@occ.ohio.gov
angela.obrien@occ.ohio.gov
bethany.allen@igs.com
joe.oliker@igs.com
michael.nugent@igs.com