

March 2, 2016

The Honorable John Kasich
Governor of Ohio
77 South High Street
Columbus, OH 43215

Dear Governor Kasich:

As you know, energy efficiency is the lowest-cost demand side energy resource – cheaper than electric or gas generation, or even renewables. Even with the Supreme Court’s recent stay of the Clean Power Plan, the electric power sector is evolving toward a cleaner, more efficient energy system. As Ohio EPA and the PUCO continue their daily work to ensure reliable and affordable electricity to Ohioans, we encourage you to maximize your investment in energy efficiency, which brings countless benefits to the state that include not just emissions reductions, but economic opportunities, lower energy bills for homes and businesses, and healthier communities. By reducing the need for central power generation, energy efficiency provides emissions reductions quickly, locally, and at a lower cost than other carbon-cutting options. It is also the only option that achieves sustained local job creation and concurrently reduces emissions lowering the cost of Clean Power Plan implementation and giving Ohio residents and businesses control over their energy bills. Actions such as improving manufacturing energy efficiency, reducing commercial buildings’ energy use, and delivering residential energy efficiency upgrades are the quickest and cheapest means to meet energy demand within the borders of Ohio, while simultaneously improving air quality.

Today, every state has at least some experience delivering energy-efficiency programs administered by electric and natural gas utilities and the private sector. These programs have been very successful in Ohio over the last five years and, even according to the utilities themselves, can be expanded significantly. Ohio’s state-level energy efficiency resource standard is critical to continuing this success. In addition to these best-practice programs, there are opportunities in Ohio to achieve significant emissions reductions through the implementation of non-utility administered energy-efficiency policies and programs. These can include investments in combined heat and power, adoption of building energy codes that leverage above-code green building certification, residential retrofit financing programs and procurement of energy savings performance contracts to upgrade large buildings and facilities.

We commend your recent comments supporting Ohio’s energy efficiency and renewable energy standards. As you consider the Clean Power Plan, and as Ohio moves down the road to developing its own state plan, we urge you to consider maximizing the use of this least-cost mechanism by expanding your existing energy-efficiency programs, such as the incentive programs and property tax exemption for energy-efficient projects. To maximize cost-effective emissions reductions under the plan, we also recommend that you opt into the Clean Energy Incentive Program.

The attached fact sheet shows how the implementation of a few common energy-efficiency policies, such as your existing energy-savings target, updated building energy codes, and increased use of combined heat and power can meet up to 78% of Ohio’s 2030 compliance goal under the Clean Power Plan, all while saving customers money, creating jobs, and growing the Ohio economy. In fact, putting

these policies in action could save Ohioans nearly \$7.5 billion and avoid 22.4 million tons of carbon dioxide emissions, not to mention preventing hundreds of thousands of tons of dangerous pollutants from reaching our air.

Energy efficiency is not a “new” resource; however, applying these tools to achieve carbon reduction goals under Section 111(d) of the Clean Air Act is an entirely new context. Several resources are available for your staff and agencies to guide your decisions about Clean Power Plan implementation, regardless of whether Ohio pursues a mass-based or a rate-based plan. For further information and to ask questions specifically about incorporation of energy efficiency in your plan, please contact the National Association of State Energy Officials at <http://cpp.naseo.org/asq>, or any of the signatories below.

We are ready to work with you and your state officials to ensure that efforts to reduce emissions via the Clean Power Plan (and beyond) are as cost-effective as possible. **Energy efficiency is the cleanest, fastest, lowest-cost strategy available, and has the most direct impact on controlling Ohioans’ utility bills.** Energy efficiency is also embraced by the private sector, for the operating costs it saves and its value for resilience and risk reduction. Additionally, energy efficiency creates lasting, local, non-exportable jobs and grows the economy while reducing consumer costs. We encourage you to use it robustly, and we stand ready to assist you.

Cc: Ohio Public Utilities Commission; Ohio Development Services Agency, Office of Energy and Redevelopment; Ohio Environmental Protection Agency

Sincerely,

ABB Inc.

Jim Creevy, Senior Director, Government Affairs
Jim.creevy@us.abb.com

Alliance for Industrial Efficiency

Jennifer Kefer, Executive Director
jennifer@dgardiner.com

Alliance to Save Energy

Kelly Speakes-Backman, Senior Vice President of Policy and Research
ksbackman@ase.org

Ameresco

Ashley Patterson, Director of Government Affairs and Public Policy
apatterson@ameresco.com

American Chemistry Council

Rudy Underwood, Vice-President of ACC State Affairs
Rudy_underwood@americanchemistry.com

American Council for an Energy-Efficient Economy

Sara Hayes, Senior Manager and Researcher, Air and Climate Policy

shayes@aceee.org

AMSEnergy Corp

Michael Sams, CEO & President
michael.sams@amsenergy.com

Bruce Harley Energy Consulting, LLC

Bruce W Harley, Principal
bruceharleyenergy@gmail.com

Building Performance Institute (BPI)

Larry Zarker, CEO
lzarker@bpi.org

CALMAC

Mark M. MacCracken, CEO
Mm@calmac.com

Columbia University, School of International & Public Affairs

Lloyd Kass, Adjunct Faculty, Environmental Science and Policy Program
Irk13@columbia.edu

Danfoss

John Galyen, President, North America
johngalyen@danfoss.com

E4TheFuture

Stephen Cowell, Executive Director
scowell@e4thefuture.org

Ecothermal Filters

Darcy McMenamin, President and CEO
Darcy@ecothermalfilters.com

Efficiency First

Kara Saul Rinaldi, Government Affairs
kara@anndyl.com

Energy Resources Center

Cliff Haefke, Interim Director
chaefk1@uic.edu

Environment Texas

Sara E. Smith, Staff Attorney
sara@environmenttexas.org

Environmental and Energy Study Institute

Carol Werner, Executive Director

Cwerner@eesi.org

Environmental Entrepreneurs (E2)

Bob Keefe, Executive Director

bkeefe@e2.org

Hannon Armstrong

Robert Johnson, Senior Vice President at Hannon Armstrong Sustainable Infrastructure

rjohnson@hannonarmstrong.com

Home Performance Coalition

Kara Saul Rinaldi, Vice President of Government Affairs and Policy

kSaul-rinaldi@homeperformance.org

JW Crouse, Inc.

Jesse Crouse, President

jwcincps@verizon.net

Knauf Insulation

George R. Phelps, Public Affairs Manager

George.phelps@knaufinsulation.com

Lime Energy

Adam Procell, President and CEO

aprocell@lime-energy.com

NAESCO

Donald Gilligan, President

dgilligan@naesco.org

National Electrical Contractors Association (NECA)

Marco A. Giamberardino, MPA, Executive Director, Government Affairs

mgiamberardino@necanet.org

National Housing Trust

Todd Nedwick, Housing and Energy Efficiency Policy Director

tnedwick@nhtinc.org

Natural Resources Defense Council

Dylan Sullivan, Senior Scientist

dsullivan@nrdc.org

North American Insulation Manufacturers Association

Curt Rich, President and CEO

crich@naima.org

Ohio Sustainable Business Council

Mayda Sanchez, Executive Director

Msanchez@ohiosbc.org

Owens Corning

John Libonati, Vice President of Government and Public Affairs
John.Libonati@owenscorning.com

Powder River Basin Resource Council

Bob LeResche, Chair
sanderson@powderriverbasin.org

Schneider Electric

Anna Pavlova, Vice President, Government Relations
Anna.Pavlova@schneider-electric.com

Siemens Corporation

Tom Phillips, Senior Director, State & Local Government Affairs
tom.phillips@siemens.com

Stoney Point Farms

Larry Lambeth, President
llamrtment@hotmail.com

TerraShares

John Atkins, President
jatkins@terrashares.com

The Dow Chemical Company

Greg Bergtold, Business Advocacy & Policy Director
gsbergtold@dow.com

Trane

Douglas M. Young, Energy Services Leader
dmyoung@trane.com

U.S. Green Building Council

Elizabeth Beardsley
Ebeardsley@usgbc.org

VEIC

Mary Sprayregen, Deputy Director, Policy and Public Affairs
msprayregen@veic.org

Veolia North America

Elinor Haider, Vice President, Market Development
elinor.haider@veolia.com

Washington Gas, a WGL Company

Doreen Hope, Federal Government & Business Relations

dhope@washgas.com