



May 22, 2018

The Honorable Eric Skrmetta
The Honorable Craig Greene
The Honorable Lambert C. Boissiere, III
The Honorable Mike Francis
The Honorable Foster L. Campbell

Louisiana Public Utilities Commission
Galvez Building, 12th Floor
602 North Fifth Street PO Box 91154
Baton Rouge, LA 70821

Dear Commissioners,

On behalf of our organizations, we write to recommend that you support adoption of a robust portfolio utility-sponsored energy efficiency programs in Louisiana.

For over 30 years, utilities in many states have operated programs to invest in energy efficiency and demand-side management because it is the least-cost, highest value way for utilities to add capacity to the system, improve resiliency, and help customers. These programs also deliver value to residents in the form of lower bills, improved housing and buildings, and economic growth.

The Louisiana Public Service Commission in 2014 decided to adopt a small efficiency program to test how Louisiana's utilities would implement such programs and how customers would respond.

We are thrilled recently released reports confirm Louisianans reaped approximately \$36.7 million dollars in benefits from these limited programs. These dollars accrue directly to customers in the form of lower bills, enabling spending that boosts the economy.

These results are compelling and strongly support expansion of the programs.

Moreover, the experience and results of programs operated for several years by Entergy New Orleans offer additional validation that each dollar spent on well-designed efficiency programs leads to more than a dollar in savings for the utility and its customers. Fortunately, we have decades of studies showing compelling evidence that energy efficiency is the lowest-cost resource for electric utilities. On our interconnected grid, when a utility needs additional power to meet demand and to enable growth, reducing energy waste -- by insulating houses, weatherizing apartments, repairing air leaks in homes, and installing high efficiency air conditioners in schools and office buildings -- is cheaper than developing



new power plants. Reducing energy waste allows our existing power resources to serve more customers.

Efficiency programs also promote more affordable housing. The same measures that reduce energy waste in homes also deliver benefits to residents by lowering utility bills, improving the value of the house, and giving residents more control. The same is true for small businesses when efficiency programs reach commercial office buildings. Additional values accrue directly to residents in the form better health for residents from weatherization.

Just this past winter, in Louisiana and neighboring states, a winter freeze presented utilities with peak demand that created system alerts. Reducing waste by insulating houses and helping customers to install high-efficiency heating systems is a compelling solution. With more efficient homes, families would pay less and be more comfortable in their homes during extreme weather events, in winter or summer.

Programs in states such as North Carolina, Arkansas, and Texas show how utility-operated programs can deliver very high value to their customers. Utilities in these states operate efficiency programs that are cost-effective, which means they save the utility more in terms of avoided generation, transmission, and distribution expenses than it costs to operate the program. These programs have a long track record of saving large amounts of electricity.

We welcome an opportunity to work with you and your offices to explore the program experience of utilities in Louisiana and other states. We stand ready to assist you as you explore this important matter to assure Louisiana residents benefit.

We thank you for your leadership in our great state. We encourage you to continue to lead by promoting innovation in our utility system to deliver the many benefits of energy efficiency programs.

Thank you for your consideration, and please feel free to contact me at 504.224.8301 or amorris@gnoha.org with any questions.

Sincerely,

Andreanecia Morris
President/Chair, Greater New Orleans Housing Alliance



Logan A. Burke

Logan Atkinson Burke
Executive Director, Alliance for Affordable Energy