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Peter West
Director of Energy Programs
Energy Trust of Oregon
421 SW Oak, Suite 300
Portland, Oregon 97204

Dear Peter:

Thank you for the opportunity to submit comments to Energy Trust of Oregon (ETO) on behalf of Cascade Natural Gas Corporation (Cascade) regarding the Energy Performance Score (EPS).

On behalf of Cascade I wish to express our appreciation to you and ETO for the conscientious and diligent effort that you have been engaged in to move toward the development of an EPS that achieves an objective that appears to now have consensus among a highly diverse stakeholder group.

To summarize, this objective appears to be the development of an Energy Performance Score that is:

- Accurate and relevant to consumers and to the region across fuels, housing types (including existing condition), and housing vintages,
- Motivates people to make appropriate energy-related investments,
- Dynamic to the extent that the measure moves in a direction and by an amount that is reflective of these investment,
- Easy for consumers to understand and utilize and,
- Affordable and easy to update.

Below are several points we would like the Energy Trust of Oregon to strongly consider as we move forward with the next phase of this standard:

- It is inappropriate to apply an EPS standard that does not take source efficiency into consideration. An EPS that does not consider source efficiency is inaccurate and ultimately serves at cross-purposes with both the region's and Oregon's energy goals. Incorporating the full-fuel cycle which directly reflects the overall energy efficiency and environmental benefits of the direct use of natural gas – especially in the provision of residential space and water heating - must be taken into account with any Energy Performance Scoring system. In an exhaustive analysis, the NW Power Planning Council found that there are no situations where it makes sense from a Total Resource Cost

perspective to switch a home from natural gas to electric space heat. Producing and promoting a **site-based** EPS tool may point consumers in a direction that leads to the inefficient use of fuel and the unnecessary emission of additional carbon dioxide.

- It will be important that the EPS be dynamic and flexible - in addition to being inexpensive to produce and administer - so that it displays appropriate movement as consumers make (or consider making) energy efficiency investment in their structure and energy-consuming device stock. In addition, the EPS should be able to change over time as equipment ages, new technologies emerge, and as the parameters of the energy source changes. In short, an EPS should be a snapshot and not a permanent picture.

- It is essential that the difference between carbon monoxide and carbon dioxide is clearly explained on the performance scorecard. Otherwise homeowners may come to inaccurate conclusions regarding the safety of their home.

- The goal of developing an "asset based" EPS is appropriate. However, care must be taken in communicating the score to consumers so that they understand that real world conditions (consumer behavior, existing and changing energy stock, etc.) can have profound implications on their individual score. The reflection of these real world conditions may be sharpest if (and when) a consumer compares their EPS and energy bills to those of others who exhibit differing behaviors and have a different "fleet" of end-use devices, or are served by different utilities. This could lead to confusion which might deflect from the objectives of the EPS.

- Language regarding carbon (dioxide and monoxide), energy units (Btu, kWh, KW, etc.) and other more complex concepts should be sufficiently explained and translated to consumers. If that appears to be problematic then ETO should shift its emphasis to developing a more user-friendly "scale or index" approach to the ESP or some other easily understandable metric. While an index may distance from the desire to develop a "Miles per Gallon"-like framework it may, in the end, not be doable to produce a useable MPG-like metric for **existing** homes where housing types, vintages, and condition can vary widely. This may be akin to attempting to develop a simple and accurate MPG rating for **used cars** where vehicles could be several decades old and might be highly modified and/or in poor operating condition.

- If the ETO decides not to consider source efficiency when developing an energy score, then Cascade could still support a more limited EPS grading system that only compares current home efficiency against the full energy saving potential *of that dwelling*. Sample language on the scorecard could read: "this house currently achieves 40 percent of the possible energy savings. These incremental measures, taken together, could save an additional 45 percent of the possible savings". Notice that "possible savings" would most likely not be the dwellings total energy usage.

- If ETO chooses to adapt the existing ETO Energy Performance Score framework it will be important to include adjustment factors that reflect the source of the energy. Building a component (penalty) into to the EPS that compensates for the inefficient use of natural gas needed to produce (and then transmit and distribute) electricity for certain end-uses

(especially space and water heating) would lead to a more consistent result. It makes fundamental sense and all three indicators should go in the right direction.

- Again, in relation to the existing ETO Energy Performance Score framework, the cost and carbon comparisons appear clear and accurate, although our concerns regarding source versus site energy performance scoring remain. If it is possible to produce a source-based EPS that meets the previously mentioned objectives AND provides consumers with an effective and useable sense of these three components – score, cost, environmental impact –that is a direction ETO should pursue. If it is not possible then we believe that ETO should pursue an index-based scoring framework.

Sincerely,

Allison Spector
Conservation Manager
Cascade Natural Gas Corporation