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Regulators reviewing light bulb plan

Marc Kovac
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By Marc Kovac

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COLUMBUS — State regulators are still reviewing FirstEnergy's comprehensive plan to reduce energy use, including a revamped program to distribute compact fluorescent bulbs to customers who want them.

The Public Utilities Commission of Ohio will issue a decision on the plans in coming weeks, though have not yet placed it on a meeting agenda, said spokesman Matt Butler.

"They want to take the time to study it and have a full understanding before they move forward," he said.

On Thursday, PUCO did agree to waive the energy efficiency requirements the company was to have met last year, spreading the requirements over the next few years as part of the larger energy efficiency plan.

In mid-December, FirstEnergy submitted details of that plan to PUCO, including incentives for customers to replace older appliances with more energy-efficient alternatives and assistance for customers to better insulate their homes.

Additionally, the company wants to distribute millions of compact fluorescent lights to customers who want them, directly from the company, through selected retail outlets or from social service agencies.

FirstEnergy estimates that customers would see average increases in their monthly electric bills of $1.42-$1.57 to pay for the programs, as allowed under state law.

FirstEnergy spokeswoman Ellen Raines said reaction to the program “seems to be positive,” with more support for the voluntary distribution of CFLs than the company’s former plans to deliver the bulbs to all of its residential and some small business customers.

Since filing the plan, several groups have submitted comments to regulators. In a joint filing, the Ohio Consumers’ Counsel and several environmental groups criticized FirstEnergy’s plans to recoup certain costs related to the delayed distribution of energy-efficient light bulbs.

According to documents, “It is not fair, just or reasonable for residential customers to now pay for FirstEnergy’s inability to expedite program delivery. That is a function of management and is such is FirstEnergy’s responsibility. FirstEnergy should now bear the financial burden of the increased storage costs resulting from it. These costs should be disallowed and not borne by FirstEnergy’s customers.”

In a separate filing, the Legal Aid Society of Cleveland was critical of cost recovery included in the plan to cover lost revenues.

“Some energy efficiency efforts may more than offset losses of revenues,” according to documents. “... From a public relations standpoint alone, customers will vigorously object to seeing their rates skyrocket because they are economizing and reducing their energy usage.”

And Ken Jakubec of Akron urged PUCO to reject the plan, stating in a that “My home uses energy-star appliances and the lights I leave on for any length of time use the compact [fluorescent] bulbs, so for a bad management decision of the electric company, let them eat the cost of their mistake versus shoving it down our throats.”

But Raines said the company is allowed, under state law, to recover the costs of programs, as well as lost revenues.

“This particular government mandate requires us to sell less of our product each year,” she said, adding that the cost recovery is temporary as the company adjusts its operations. She added, “It’s important to note that our utility companies’ price per kilowatt hour hasn’t changed dramatically since the 1990s and, in fact, in some cases current prices per kilowatt hour are less than they were in 1990. ... We’ve worked very hard to hold the line on electricity prices per kilowatt hour.”

Marc Kovac is the Dix Capital Bureau Chief. E-mail him at mkovac@dixcom.com or on Twitter at Ohio Capital Blog.