

# TENNESSEE REGULATORY AUTHORITY

Eddie Roberson, Chairman  
Pat Miller, Director  
Sara Kyle, Director  
Ron Jones, Director



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Nashville, Tennessee 37243-0505

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## TENNESSEE HOME ENERGY CONSERVATION TASK FORCE REPORT

To: Chairman Eddie Roberson  
Director Pat Miller  
Director Sara Kyle  
Director Ron Jones

From: Carsie Mundy, Chairman-Tennessee Home Energy Conservation Task Force *CSM*

Date: October 24, 2007

Re: November 6, 2007 TRA Conference

### **Docket for the Collection of Data and Comments Relating to Home Energy Relating to Home Energy Conservation Matters in Tennessee Docket # 06-00309**

On July 9, 2007, during the Authority Conference, the Directors voted: (1) to create an autonomous pilot energy conservation program for Nashville Gas Company, Atmos Energy Corporation, and Chattanooga Gas Company; (2) for the pilot program to target energy conservation, education, diagnostics of energy loss and recommendations on how residents can reduce energy bills through the use of conservation in their homes and remediation; (3) for the program to also designate a contribution to GTI for research; (4) that consumers eligible for program benefits will be those who qualify for LIHEAP; (5) that the size of the pilot programs will vary with each company, depending upon the number of customers served. The program size per company will be \$325,000 for Nashville Gas, \$255,000 for Atmos Energy, and \$125,000 for Chattanooga Gas; (6) for each company to file comments with the Authority within 30 days outlining how much funding each company is willing to contribute and details on the specifics of its plan with the thought that the Authority would act upon each company's plan at a future conference; (7) that implementation of the program shall begin before November the 30th, 2007; and (8) at the end of 18 months from implementation of the pilot program, each company shall submit an evaluation report, as designed by the Authority's Economic Analysis and Policy Division, to the Authority detailing how the funds were spent and the program benefits.<sup>1</sup>

On August 8, 2007, Nashville Gas, Chattanooga Gas and Atmos Energy filed comments as directed by the Authority. Then on October 8, 2007 the Consumer Advocate and Protection Division ("CAD") filed comments also. The comments filed differed in several respects. In order to discuss those differences, a meeting of the Home Energy Conservation Task Force was held on October 12, 2007. The purpose of the meeting was to discuss: 1) The feasibility of one pilot vs. a different pilot for each company; (2) The appropriate duration of a pilot; (3) The role asset managers should play in the pilot; (4) The best method

<sup>1</sup> Transcript of Authority Conference, pp. 8-13 (July 9, 2007).  
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to fund conservation research; (5) Whether the TRA has the authority to establish the pilot; and (6) Procedurally, how the Authority might best adopt and/or approve the pilot (i.e. rulemaking, tariffs, etc.).

One of the first concerns expressed by the Task Force members was the November 30, 2007 pilot program implementation date. After some discussion surrounding this issue, it was the consensus of the Task Force that implementation would not be possible by November 30<sup>th</sup> and would not be possible for about three (3) months following a decision on how the pilot would be funded. Since the date proposed by the Directors is close at hand, and a funding mechanism has not been established, the Task Force has authorized me to request that the Authority allow more time for the pilot to be implemented. As Chairman of the Task Force, I am therefore requesting that the Directors reconsider the November 30<sup>th</sup> date and provide for a later implementation date of no sooner than three (3) months following a decision on how the pilot will be funded.<sup>2</sup>

Copy to: Richard Collier, Darlene Standley, Jerry Kettles & Phil West

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<sup>2</sup> Since the November 6, 2007 Authority Conference is the only Authority Conference in November and the November 30, 2007 implementation date is close at hand, the Task Force did not have time to prepare a full report covering all the issues discussed during the meeting in time for the November 6, 2007 Authority Conference. Other issues discussed during the October 12, 2007 meeting, along with resulting recommendations, will be covered in a report to the Directors at a later date.