

BEFORE THE CORPORATION COMMISSION OF OKLAHOMA

IN THE MATTER OF THE APPLICATION OF)
OKLAHOMA GAS AND ELECTRIC COMPANY)
FOR AN ORDER OF THE COMMISSION)
APPROVING THE COMPANY'S 2016 DEMAND)
PORTFOLIO AND AUTHORIZING RECOVERY)
OF THE COSTS OF THE DEMAND PROGRAMS)
THROUGH THE DEMAND PROGRAM RIDER)

CAUSE NO. PUD 201500247

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CORPORATION COMMISSION
OF OKLAHOMA

Rebuttal Testimony

of

Cristi Killian

on behalf of

Oklahoma Gas and Electric Company

October 9, 2015

Cristi Killian
Rebuttal Testimony

1 Q. **Please state your name, position, by whom you are employed and business address.**

2 A. My name is Cristi Killian. I am the Manager of Product and Service Implementation at
3 Oklahoma Gas and Electric Company (“OG&E” or “Company”). My business address is
4 321 N. Harvey, Oklahoma City, Oklahoma 73102.

5
6 Q. **What is the purpose of your testimony in this proceeding?**

7 A. My rebuttal testimony addresses certain aspects of PUD witness Kathy Champion’s
8 responsive testimony regarding OG&E’s Integrated Volt Var Control program (“IVVC”).
9 I explain why it is appropriate to include IVVC in the 2016 Demand Portfolio in the
10 manner proposed by the Company. I also respond to Ms. Champion’s recommendation
11 regarding evaluation, measurement and verification (“EM&V”) for the IVVC program.

12
13 IVVC PROGRAM

14 Q. **Please describe how IVVC is incorporated in the Company’s 2016 Demand
15 Portfolio.**

16 A. As I mentioned in my direct testimony, IVVC is currently a part of OG&E’s 2013
17 Demand Portfolio. Over the past three years, IVVC provided significant reductions to
18 customer bills and energy savings. In the 2016 Demand Portfolio, IVVC is included as an
19 energy efficiency program due to its substantial energy reduction and customer bill
20 savings. OG&E believes incorporating the IVVC program in the 2016 Demand Portfolio
21 will continue to diversify and enhance customer savings.

22
23 Q. **How does Ms. Champion’s characterize the IVVC program?**

24 A. Ms. Champion believes that the IVVC program is “more of a system efficiency program
25 than a customer efficiency program.”¹ Ms. Champion also takes issue with OG&E’s
26 position that IVVC meets the definition of an energy efficiency program. The
27 Commission rules define energy efficiency program as a “means of reducing electricity
28 consumption on the customer’s side of the meter while achieving substantially the same

¹ Champion Responsive, p. 15, lines 9-10
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1 level of end use service.”² Ms. Champion seems to believe that the change in
2 consumption due to IVVC is entirely within the control of the Company and therefore,
3 the program cannot be considered an energy efficiency program.³
4

5 **Q. Do you agree with Ms. Champion’s position on the IVVC program?**

6 A. No. It is a fact that IVVC provides tangible energy savings which is reflected in
7 customers’ monthly bills and that the program reduces electricity consumption on the
8 customer’s side of the meter. Moreover, OG&E has demonstrated that the IVVC
9 program generates the same level of customer energy savings as more expensive behind-
10 the-meter program.
11

12 **Q. How does the IVVC program enable customers to use energy more efficiently?**

13 A. Contrary to Ms. Champion’s view, IVVC is not a system efficiency program, which is
14 designed to reduce system losses. IVVC is an energy efficiency program and is designed
15 to create tangible energy savings by lowering voltage. When voltage is lowered, the
16 equipment and appliances within a customer’s home use less energy. Essentially, when
17 IVVC lowers voltage, an appliance being used by the customer will consume less energy
18 and this means direct bill savings for that customer. Just like converting to LED
19 lightbulbs or installing insulation, customers’ equipment respond to the voltage drop,
20 which creates their energy savings reflected in their bills.
21

22 **Q. What is your response to Ms. Champion’s recommendation to limit the IVVC
23 program?**

24 A. It is difficult for me to understand the basis for her recommendation to apply a 5% cap to
25 the IVVC program given that Ms. Champion “does not oppose the inclusion of the IVVC
26 at the level proposed by the Company.”⁴ The IVVC program is an integral part of the
27 2016 Demand Portfolio and should not be capped at a certain percentage. A cap on the
28 IVVC program will significantly impact the portfolio’s savings as IVVC has the second

² OAC 165:35-41-2, Definitions “Energy efficiency”

³ Champion Responsive, p. 15, lines 11-15

⁴ Champion Responsive, p. 15, lines 8-9, lines 20-22

1 highest TRC value (2.20) of all the measures. Although the IVVC program is only 7.3%
2 of the total Demand Portfolio budget, the program provides 11,030 MWh of the
3 portfolio's energy savings and 27.3 MW of annual peak demand savings. Ms.
4 Champion's recommendation results in close to a 27% reduction in energy and peak
5 demand savings decreasing the portfolio energy savings by 2,945 MWh and annual peak
6 demand savings by 7.5 MW.

7
8 EM&V FOR IVVC PROGRAM

9 **Q. Does Ms. Champion agree with OG&E's method to evaluate the IVVC program?**

10 A. No. Ms. Champion states that the "method described by OG&E in its evaluation plan for
11 the IVVC program has not been approved or certified by any professional organization."⁵
12 She recommends that OG&E use savings certified through the Northwest Regional
13 Technical Forum ("RTF") and the protocols developed by a Pennsylvania working group.

14
15 **Q. Can OG&E use either the RTF or Pennsylvania Working Group's method to
16 evaluate the IVVC program?**

17 A. No. Neither method is applicable to OG&E's evaluation requirements. Both the RTF and
18 Pennsylvania Working Group systems use methods similar to OG&E's old proxy-day
19 matching method. They would be more expensive to implement and reduce the
20 effectiveness of the IVVC program. As a proxy-day evaluation method, those systems
21 require a set of baselines which will closely mimic the type-of-day being evaluated. This
22 set of baselines requires similar day-of-week and temperature days which are populated
23 by alternating days of IVVC activity. This means IVVC will be operating for only half
24 the time, severely limiting the number of operational days and thus reducing the total
25 benefits achieved from the IVVC program. Also, in the case of the UtiliData, OG&E
26 would need to purchase proprietary software and add more hardware to each circuit to
27 run their system, which would be a significant expense. OG&E's proposed method will
28 accomplish the same results without limiting the number of operations days and without
29 additional hardware and software costs.

⁵ Champion Responsive, p. 35, lines 11-12
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1 Q. **Do you support Ms. Champion's recommendations?**

2 A. No. Ms. Champion's recommendation does not fit with OG&E's "always on" strategy
3 and will require OG&E to essentially perform data collection for two sets of EM&V
4 processes. It would also cut in half the number of operational days of the IVVC system.
5 This duplication of effort will add costs to the IVVC program and decrease program
6 performance. I recommend that the Commission allow OG&E to use the same EM&V
7 process it has used since 2013 to evaluate the IVVC program because it allows the
8 program to run every day, creating greater customer savings. I further recommend the
9 Commission reject Ms. Champion's recommendation to require OG&E to perform two
10 sets of EM&V data collection and analysis. This recommendation would unnecessarily
11 increase costs and will severely limit potential customer savings.

12

13 Q. **Does this conclude your testimony?**

14 A. Yes.