



National Fuel

Lee E. Hartz
Assistant General Counsel

April 1, 2010

***VIA Electronic Filing &
NEXT DAY UPS***

Secretary James J. McNulty
Pennsylvania Public Utility Commission
Commonwealth Keystone Bldg.
400 North Street
Harrisburg, PA 17120

**Re: Training Certifications for Weatherization Installations and Audits
Pa. P.U.C. Docket No. M-2010-2152691**

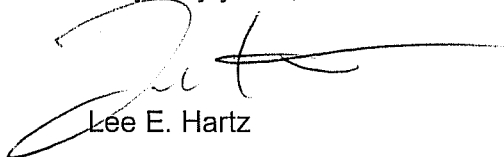
Dear Secretary McNulty:

Pursuant to the Pennsylvania Public Utility Commission's Order entered on March 2, 2010 at the above Docket, enclosed for filing are an original and 3 copies of the Comments of National Fuel Gas Distribution Corporation ("Comments"). This document is also being electronically filed.

An electronic copy of these Comments is being sent as requested in the Order.

If you should have any questions regarding this filing, please contact me anytime at (814) 871-8060. Many thanks for your assistance in this matter.

Very truly yours,



Lee E. Hartz

Enclosures

cc: *VIA E-Mail:*

Scott Gebhardt, Energy Program Specialist
David Mick, Supervisor – Energy Policy and Compliance
Stephanie Wimer, Assistant Counsel

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Training Certifications for
Weatherization Installations and
Audits**

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: **COMMENTS**
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Docket Number: M-2010-2152691

**COMMENTS OF
NATIONAL FUEL GAS DISTRIBUTION CORPORATION**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

I. Introduction.

On March 2, 2010 the Pennsylvania Public Utility Commission (the "Commission") entered an Order at this Docket seeking comment on the level of training and certification that should be required of residential weatherization installers and auditors employed by electric and natural gas distribution companies and their contractors (the "Order"). Therein, the Commission specifically requested "comments on the current training required by the electric and gas utility companies of their employees and contractors who conduct weatherization installations and audits, as well as the impact on companies' existing Low Income Usage Reduction Programs ("LIURP")." See Order at 5. The Order also asks for comments on whether utilities conducting weatherization work would benefit from requiring specific training required of workers participating in similar Pennsylvania Weatherization Program ("WAP") projects.

National Fuel Gas Distribution Corporation ("NFGDC"), a certificated natural gas distribution company providing service to approximately 213,000 customers in

Northwestern and north-central Pennsylvania, appreciates this opportunity to submit the instant comments regarding its current practices with respect to weatherization related activities. In addition to these comments, the Energy Association of Pennsylvania (the "EAPA"), of which NFGDC is a member, is contemporaneously filing Comments at this Docket. NFGDC incorporates herein and supports the Comments filed by the EAPA.

II. Current Practices of National Fuel Gas Distribution Corporation.

LIURP activities notwithstanding, NFGDC will perform in-home energy audits for any customer who requests the service. Currently, NFGDC has one employee who performs this function. The in-home energy audit consists of an evaluation of a customer's premises to determine whether specific weatherization activities may increase a customer's energy efficiency. Customers are informed of the results of the audits. NFGDC performs no other weatherization related activities as part of this process. While the NFGDC employee who performs these energy audits is not certified with respect to the WAP, this employee has an extensive heating and cooling background and has been performing these energy audits for more than 20 years.

NFGDC, like all Pennsylvania large jurisdictional gas and electric utilities, has a LIURP that provides weatherization related activities for low-income customers. Very generally, NFGDC's LIURP provides energy audits, consultations, and installation of various weatherization and energy-efficiency related systems, products and materials.

Currently, no NFGDC employees provide any weatherization audits or installations through NFGDC's LIURP. Rather, NFGDC maintains contracts with third parties to perform these services. As required by the Commission, NFGDC contracts with both community action agencies and for-profit private contractors to perform LIURP work. Community action agencies that NFGDC maintains contracts with for LIURP work include, but are not limited to: The Housing Authority of the County of Erie; the Greater Erie

Community Action Committee; Community Action Partnership of Mercer County; Northern Tier Community Action; Northwest Pennsylvania Weatherization, Inc.; and, Warren-Forest Counties Economic Opportunity Council. Some or all of these agencies will then use their own subcontractors to complete various aspects of the LIURP work.

At this time, NFGDC does not specifically require a certain level of certification or training in its contracts with the third parties who perform the LIURP work. Thus, NFGDC cannot opine on whether its contractors are or intend to become WAP certified. While there are no specific certification requirements set forth in the third party contracts, NFGDC will regularly inspect and review the work performed by these vendors. NFGDC is unaware of any substantial complaints from its customers related to the work performed by any of its LIURP vendors. Any such complaints would be fully and immediately investigated. In addition, NFGDC performs a detailed review of each of its LIURP vendors prior to contracting with them to perform services. Each of NFGDC's LIURP vendors has an established reputation as either a well-respected community action agency or a reputable, for-profit, service provider. NFGDC is selective in the vendors it chooses for its LIURP activities.

III. Should WAP Training and/or Certifications be Required.

NFGDC urges caution in the Commission's evaluation of whether utility employees and contractors should be required to obtain WAP style training or certifications. On its face the concept seems sound; however, there are cost and competitive concerns that should also be evaluated.

For its own employee providing weatherization-related audits, NFGDC does not feel that further training/certification is necessary. This employee provides specific services and has extensive experience in the necessary areas. In this respect, further training and certification would seem to be an unnecessary administrative hurdle. Further, NFGDC has not received any customer complaints regarding the knowledge or expertise of

its employee performing this function. It does not seem that further training/certification would provide additional benefit in this regard.

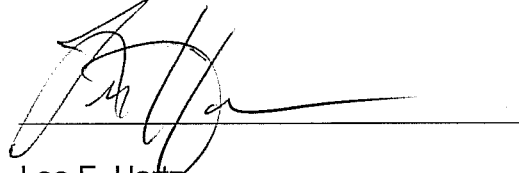
There are two concerns that should be fully considered before requiring WAP certifications for third-party vendors performing LIURP work: cost and competition. While NFGDC does not directly pay the costs of certification for its vendors, that may not be the case for every utility providing LIURP services. Further, even if such costs are not directly paid, certification costs must be paid by the vendors and will likely be passed on through costs for services. Depending on how much can be gained from the training/certification, the dollars spent on certification may be better spent on direct LIURP work. In addition, thought should be given to how any certification requirements will be tracked and documented. Depending on the extent of the certifications, or their technical nature, utilities may not have in-house resources capable of tracking certifications. In addition, any amounts spent on tracking these certifications will reduce the available pool of dollars for LIURP weatherization work.

As for competition, NFGDC believes it is important to maintain a robust roster of available contractors to perform LIURP work. Such an available pool will drive vendors and contractors to continue to perform quality work at reasonable prices. In addition, having a diverse group of vendors enables a utility to respond to LIURP needs quickly when necessary and to have appropriate vendors for specific jobs. Requiring specific certifications may have the unwanted effect of limiting this pool of vendors. Again, the value of the certification should be weighed against the value created by having a larger pool of available vendors.

IV. Conclusion.

NFGDC appreciates the opportunity to provide the instant comments on this important issue and looks forward to working with the Commission going forward.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Lee E. Hartz', is written over a horizontal line.

Dated: April 1, 2010

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