

**PROJECT NO. 22241**

**ENERGY EFFICIENCY  
IMPLEMENTATION DOCKET**

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**PUBLIC UTILITY COMMISSION  
OF TEXAS**

**ORDER**

On November 15, 2001, Frontier Associates filed a petition for approval of revisions to the hard-to-reach and residential/small commercial standard offer programs and deemed savings estimates. The petition was developed in consultation with Commission staff and other interested parties through the Energy Efficiency Implementation Docket, Project No. 22241, created pursuant to P.U.C. SUBST. R. 25.181(m).

The petition was made available for public review and comment pursuant to a notice published in the *Texas Register* on November 16, 2001. Commission Staff has reviewed comments submitted regarding the petition and has made changes to the to the hard-to-reach and residential/small commercial standard offer programs and deemed savings estimates. The Commission approves the revised residential/small commercial standard offer program in Appendix A, the revised hard-to-reach standard offer program in Appendix B and the revised deemed savings estimates in Appendix C.

The Commission also rules that the term “affiliate” should be interpreted to include the following for purposes of P.U.C. SUBST. R. 25.181(h)(3):

- (A) a person who directly or indirectly owns or holds at least 5.0% of the voting securities of an energy efficiency service provider;
- (B) a person in a chain of successive ownership of at least 5.0% of the voting securities of an energy efficiency service provider;
- (C) a corporation that has at least 5.0% of its voting securities owned or controlled, directly or indirectly, by an energy efficiency service provider;

- (D) a corporation that has at least 5.0% of its voting securities owned or controlled, directly or indirectly, by:
  - (i) a person who directly or indirectly owns or controls at least 5.0% of the voting securities of an energy efficiency service provider; or
  - (ii) a person in a chain of successive ownership of at least 5.0% of the voting securities of an energy efficiency service provider; or
- (E) a person who is an officer or director of an energy efficiency service provider or of a corporation in a chain of successive ownership of at least 5.0% of the voting securities of an energy efficiency service provider.
- (F) a person who actually exercises substantial influence or control over the policies and actions of an energy efficiency service provider;
- (G) a person over which the energy efficiency service provider exercises the control described in (F);
- (H) a person who is under common control with an energy efficiency service provider, where “common control with an energy efficiency service provider” means the direct or indirect possession of the power to direct or cause the direction of the management and policies of another, without regard to whether that power is established through ownership or voting of securities or any other direct or indirect means; or
- (I) a person who, together with one or more persons with whom the person is related by ownership or blood relationship, or by action in concert, actually exercises substantial influence over the policies and actions of an energy efficiency service company even though neither person may qualify as an affiliate individually.

**SIGNED AT AUSTIN, TEXAS the 17th day of December, 2001.**

**PUBLIC UTILITY COMMISSION OF TEXAS**

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**MAX YZAGUIRRE, CHAIRMAN**

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**BRETT A. PERLMAN, COMMISSIONER**

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**REBECCA KLEIN, COMMISSIONER**