

An Overview of the Process of Evaluating Energy Efficiency Programs in California: Does Independent Evaluation lead to More Objective or Productive Results?

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Topics to be covered Today

Importance of requiring Load Impact (kW and kWh) and process evaluations for major programs

Importance of agreeing on a set of measurement methods (protocols) and reporting dates

Website links where CA evaluations can be found.



Two Important Rules for Evaluation

The golden rule of evaluation- he who holds the gold makes the rules

Diplomacy is the art of letting someone else get your way



The Purpose of Developing Protocols

To produce a standardized process for evaluating programs, reporting results and acting on results

To provide credible and objective information on program impacts and performance

To produce recommendations to improve program performance

To produce an accurate assessment of future opportunities to save energy



CPUC decision transferred Responsibility for Evaluation Planning from Program Managers to Regulatory Staff

Premise that Evaluations of Program Impacts could not be truly independent/objective if managed by parties with stake in outcome

Will definitely improve direct communications between regulators and evaluation firms

Doubling of Program funding and explosion of new designs create a real evaluation planning challenge



Types of Protocols in Development

Load Impact

Process

Market Assessment/Effects

Measurement/Verification

Sampling

Information/Training

Emerging Technology

Expected Useful Measure Life



The Analytical Problem

Problem Statement- How to evaluate the impacts of 25 different program designs across four utility service areas and to ensure timely completion of Process, Impact and Market assessment within a 3 year cycle and staffing constraints



Scope Problem?

Utilities propose to spend almost \$2 billion on efficiency programs over next 3 years to save over 7,000 GWH and 1500 MW

Can a small regulatory staff manage \$30 to \$40 million in annual evaluation contracts to verify savings impacts and provide constructive suggestions on program design?
Total budget=\$117 million



The Solution?

Group programs by design strategy and market to minimize number of contracts

Plan for different types of evaluations (impact, process, portfolio impact and market effect) over a three year cycle

Rely on close coordination with program managers to facilitate data flow and take advantage of previous expertise

Use more evaluation firms as evaluation managers?



Division of Evaluation Management Labor

Regulators Responsible for: Program and portfolio level impact assessments, program effects for marketing and support programs, Market effects of multiple programs/ cost effectiveness, Potential studies/DEER database

Program Administrators responsible for: process evaluations, tracking data bases, market surveys/ assessments



Evaluation Objectives for Process Evaluations

Evaluate effectiveness of marketing and program designs

Evaluate if program is achieving desired effects

Provide suggestions for improvement both in program processes and methods to reach and motivate customers



Evaluation Objectives for Impact Assessments

Estimate/Validate ex ante estimates of program strategy savings using protocols

Provide insights about why there may be differences between ex ante and ex post values

Estimate impacts by end use and measure if feasible



Evaluation Objectives for Market Assessments

Estimate the total energy and peak savings achieved in this market over the last 3 Years for each of the four utility areas and the relative savings share of each of the major strategies operating in the market.

Provide an assessment of the extent that these programs have caused changes in market structure, channels, product availability and their sustainability



Websites where Evaluation Studies and Protocols can be found

www.calmac.org for individual studies

<http://www.cpuc.ca.gov/static/energy/ele>
for protocols



Thank You

Any Comments/ Questions???

