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NEXT STEPS FOR ECONOMIC IMPACT REPORTING



July 15, 2020



Agenda

- Discuss next steps proposed by evaluators for economic impact reporting
- Q&A

Potential Options for Annual Analysis

- Three potential options for annual economic impact analysis

1. IMPLAN Modeling

- Pros: Most rigorous and in-depth approach, annually updated economic data
- Cons: Most expensive, model only changes as much as the structure of the economy – which can be minimal on a year-to-year basis, requires advanced knowledge of IMPLAN model

2. Spreadsheet Economic Impact Tool (e.g., NREL JEDI)

- Pros: Ability to tailor analysis to portfolio design without building IMPLAN models, simplified analysis that can be run by utilities and portfolio evaluators
- Cons: Limited ability to customize analysis, data licensing for underlying economic data

3. Deemed Values

- Pros: Simplest approach, similar approach to established approaches for deemed savings
- Cons: Could oversimplify impacts of some programs, limited insight into industries impacted and underlying economic effects

Evaluator Proposal

- Hybrid approach
- Once-per-planning cycle IMPLAN model updates
 - To ensure that estimates of impacts are reasonably aligned with the structure of the Illinois economy
- Annual implementation of a spreadsheet-based or deemed value approach to estimating impacts
 - To decrease budget and complexity of annual updates; such a tool should also allow non-evaluators to run this analysis if desired for internal purposes



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