

ComEd Comments on Plan Year 2 Evaluation Report: Business Custom Program (9/22/2010)

Evaluation concerns

1. Under Section 2 Evaluation Methods (page 13), there is much discussion on not segmenting projects into measure categories. Segmentation seems to be important for understanding Custom projects. By its nature, the Custom program does not have homogeneous projects which can be defined by kWh size. Instead technologies better define the nature and expectations of projects. One on-going aspect of the Custom program is if a technology application can be easily defined and measured, it is moved from being a custom measure to becoming a Prescriptive program measure to facilitate a more standard approach in applications and review. Segmenting, reporting, and evaluating by technology would facilitate ComEd's understanding of technology measures.

Report conclusions (page 57, 2nd paragraph) indicate that isolating individual records by measure would enable EM&V team to produce measure-based statistics and track program accomplishments. Evaluator should consider tracking data by technology segments and providing results for the segments when possible.

2. As shown in Table E-1, 20 participants were contacted via phone survey to determine the Net-to-Gross (NTG) ratio, while 42 were contacted to determine Process results. Why weren't the 42 also surveyed regarding NTG?
3. Section 1.1.1 (page 4), 1st bullet – "...ex ante savings estimates were reasonably accurate, although some equations were not well supported or sourced." For informational purposes, please identify equations and site reports being referenced.

Going forward, please identify issues with equations and baseline adjustments explicitly in site plans.

4. Page 9, 1st paragraph; description indicates that incentives are limited to budgeted amount, but program is administered in conjunction with the prescriptive program which allows considerable flexibility to share budgets, and ComEd administration of the portfolio also allows flexibility to adjust program funding.
5. Under section 1.2, it mentions researchable questions can be addressed in PY3, but then says a full list of researchable questions can be found in Evaluation Plan. Report should include the researchable questions because they are not evident in the Evaluation Plan.
6. For selection of IPMVP approach (page 15), ComEd suggests specifying the IPMVP method to be used in the site evaluation plan where applicable.
7. In discussion of baseline assessment (page 15), the report states that the evaluation, "... seeks to identify the predominant baseline condition, and derive a single (representative) year estimate ...". Given that the program is only measured on 1st year savings, why wouldn't the representative year primarily reflect the initial year after

project installation? Please provide ComEd with further definition or guidelines for determining “representative” year estimate,

8. In the section on “Review Applications and Prepare Analysis Plans”, explain why a plan might suggest alternative analysis methods.
9. In the section “Standard Free-Ridership Assessment” provide documentation for adjustments made for free-ridership assessments, and adjustments made from call-backs.
10. Spillover discussion (page 21, page 38) and in Impact recommendations (page 62), talks about qualitative spillover analysis in PY2 and planned for PY3. Without quantitative measurement, how would EM&V recognize “substantial program-induced effects”? Is there actual value to performing qualitative spillover analysis?
11. Development of the realization rate, Table 3-1, was done by developing strata for applications and sampled projects. Project 2748 was placed in Strata #3 with an ex ante kWh value of 89,488, compared to the average Strata #3 project size of 24,134 kWh. Given its size versus the other sampled Strata #3 projects (22,528 & 30,334 kWh), it contributed 63% of Strata #3 impact on realization rate. Overall, it contributed 16.8% to the Custom realization rate, compared to approximately 6% for projects which were 5 times larger in Strata #2.

ComEd recognizes that a primary difficulty with the PY2 evaluation is that the entire sample size is only 10 samples. Random sampling seems to make sense for homogeneous populations, but we expect that the projects’ variability is better defined by technology type than size. Strata #3 should be reviewed to be more representative of its expected impacts on the NTG ratio.

12. For the general observations from gross impact sample (page 36-37), please provide ComEd with backup information that substantiates these observations.

A follow-up paragraph could be added after bullets to recognize that a Custom meeting was held with the implementation team to explain and discuss findings from the site reports as a means to improve ex ante calculation methodologies. Additional discussion of this meeting regarding Lessons Learned in the Conclusions Program Impacts section (4.1.1) would also be appropriate.

13. In section 3.1.4; going forward ComEd feels that providing NTG ratios by technology would be beneficial.

Also, summarizing the relevance of the Program Influence and No-Program scores would be helpful instead of simply stating that lower Program scores tend to lower NTG ratios, etc. This section does not provide much insight.

14. Page 39, 1st paragraph, ‘...respondents indicated that they did not pursue rebates though the ComEd program due to hassle involved.’; provide documentation which indicates/describes “hassle involved”.

15. In discussions of process, statements are regularly made that the Custom Program fell short of its goals. In reality, the goal structures were revised from the original filed plan. With the administrative combination of the Prescriptive and Custom Programs, they have since had combined goals, which were increased mid PY2 and achieved in PY2. Although ComEd hopes that the Custom Program grows in significance, it is not setting specific goals for it. ComEd's intention of moving measures from Custom to Prescriptive, when possible, makes it difficult to adhere to long-term goals. The write-up should reflect the overall performance of Prescriptive and Custom versus declaring that Custom had not met its goals (references: pages 1,3,5,42,53,58,60).
16. In Figure 3-1, what is included in miscellaneous category?
17. ComEd would like to point out that in Figure 3-4, in PY2 rebates and incentives were much more recognized as an important benefit, but this finding doesn't seem reflected in the change in NTG ratios from PY1 to PY2. Figure 3-4 indicates that incentives are a major program influence.
18. In Section 4.1.1, Tracking System – ComEd suggests to reduce inconsistencies and apparent missing information, evaluation team should access and review contact logs in tracking system for audited sites. ComEd will work to ensure that evaluation team can access this information in the future.
19. Under Gross Impacts (page 57), ComEd feels some mention should be made that it contacted the EM&V team for guidance in properly establishing a correct baseline during some of its project reviews.
20. Under Gross Impacts, 3rd paragraph (pages 57 & 61), Evaluator suggests that for smaller projects in stratum 3, ex ante estimates could be more conservative. ComEd feels that improving estimation techniques is appropriate, but generally lowering kWh estimates, and therefore customer incentives, is not fair to customers or the program.

ComEd welcomes specific recommendations to improve its ex ante estimates.

21. Under Recommendations (Section 4.2), please explicitly list your recommendations. This section contains much discussion and general suggestions, but leaves unclear what are the actionable recommendations, e.g. there is no apparent recommendation for Account Managers.
22. Site project specific comments are not included here, since they were discussed in the 9/26/2010 meeting with the implementation team. These comments will be provided in the meeting minutes.

Typographical and style edits

1. Page 8, 2nd to last paragraph, last sentence; should this be "...with minor changes to ~~prescriptive~~ custom incentive levels..."?