

Further Issues for Illinois Evaluation Framework

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Issues to be Discussed

- Evaluation planning process (Ralph)
- Coordination and collaboration between Com Ed and Ameren evaluation contractors (Ralph)

Evaluation Planning Process

- We recommend against trying to plan all evaluation activities immediately and in detail for the entire 3-year period.
 - Given the early stage of program implementation:
 - Programs are likely to evolve.
 - Some programs likely to be canceled.
 - Some new Programs likely to be developed
 - Policy environment is likely to evolve.
 - As stakeholders gain experience, their views on evaluation issues are likely to evolve.
 - State of the art of evaluation practices is likely to evolve.
 - As a result, detailed 3-year plans are likely to quickly become superannuated.

Evaluation Planning Process

- We therefore recommend a two-track planning process:
 - One track focused on detailed planning of activities needed in the first year or so, and moving forward quickly on urgent tasks.
 - Other track focused on planning for the overall 3-year period at a broader, more strategic level, addressing issues such as:
 - Allocation of resources across evaluation functions, programs, years, and tasks.
 - Broad technical approaches
 - High-level schedule for staging of evaluation activities
 - Approach to some key issues such as coordination between Com Ed and Ameren contractors.
 - These two tracks could either proceed in parallel, or focus on near-term planning first and long-term planning second.
 - Then do detailed planning for years 2 and 3 later.

Coordination and Collaboration Between Com Ed and Ameren Evaluation Contractors

- Why are coordination and collaboration important?
 - Need reasonably consistent methods
 - More than one route to a reasonable savings estimate, BUT... Extensive differences in methods across administrators tend to undermine confidence in savings estimates.
 - Need reasonably consistent savings assumptions
 - Differences in assumptions may be justified by differences in weather, demographics, firmographics, etc., BUT... Where these cannot be demonstrated, differing assumptions tend to undermine confidence in savings estimates.
 - Need to limit duplication of effort
 - Many overlaps and/or similarities in measures, program design, markets, etc.
 - For non-residential, both utilities have the same contractor team, albeit with different lead contractors, which creates particularly strong opportunities for coordination.
 - For some programs that tend to have market effects, it may be difficult to evaluate impacts effectively at a utility-specific level.
 - Markets tend to have broader geographic range than individual service territories.
 - Can be difficult to isolate impacts of similar programs operating in nearby territories
 - Example: residential CFL programs.

Coordination and Collaboration: What Do Other States Do?

- For all of the preceding reasons, most states with an extensive history of EE programs have tended to move toward statewide evaluation over time. For example, California, Massachusetts, Vermont, New York, and Wisconsin all implement evaluations largely at a state-wide level.

Coordination and Collaboration: Some Approaches

- Institutional Approaches
 - Inter-team working groups
 - Joint funding and performance of studies
 - Dividing up the waterfront (e.g., Com Ed contractor covers DCEO programs, as already decided)
- Analytic Approaches
 - Standardized (or at least coordinated) deemed values
 - Standardized (or at least coordinated) methods (e.g., state-wide non-res NTG self-reporting instrument)
 - Integrated sample designs (e.g., pool samples of custom C&I measures from both utilities in order to achieve better precision)

Coordination and Collaboration: Recommendations

- In the very near-term, develop a coordination process for establishment of initial deemed savings values
- Over the near-term, suggest that utilities, working with their contractors and with each other, develop overall written plans for coordination, and these be discussed by SAG.
- Coordination should be much easier for C&I, due to the fact that both utilities have essentially the same contractor team.