



# + Getting Started

# + Some First Steps in EM&V

- Set the objectives:
  - What is the overall goal of the efficiency programs – define the metrics?
    - Demand savings (how defined), Energy savings, Cost-effectiveness
  - How will the information/metrics be used?
  - Transparency, reporting of results to stakeholder and ratepayers
- Set expectations for savings determination certainty?
  - For example, full evaluation vs. verification and deemed savings values
- Performance determined on basis of net or gross savings?
- What is the schedule for implementing EM&V and reporting?
- Who will conduct the evaluations, what is independent, what are the roles between utilities and PSC?
  - Impact, Market and Process
  - Statewide or utility by utility

# + Some First Steps in EM&V, continued

- How will evaluation results be applied:
  - Used for information only and/or used as basis for penalties/rewards?
  - Results applied:
    - Forward only, generally with engineering estimates and assumptions (*ex ante*)?
    - After the fact (*ex post*) – apply evaluation results retrospectively, true up the results based on impact evaluation?



# Evaluation Principles to Guide Development of Governance Structures

- Independence: Evaluators should have no financial stake in outcome of their impact evaluation work (no conflict of interest)
- Transparent methods to estimate load impacts are reviewed in public forum to increase quality and reliability
- Evaluation planning process identifies the types of evaluation information that is crucial to different stakeholders
- Take advantage of work done elsewhere
- Over time, use impact evaluation to refine input assumptions used in savings estimation
- Expert review of evaluation design happens in planning phase, not after the study is completed; lean on independent evaluation experts
- All key assumptions used by program planners are eventually verified in evaluations
- Ensure procurement process used to select evaluation contractors is timely and flexible
- Focus evaluation dollars and efforts on areas of largest/most important uncertainty

(From presentation by Jeff Schlegel)

# + Example First Deliverables

- PSC defines overall guidance, roles/responsibilities, general reporting requirements and reporting schedule
- Select consultants to do EM&V prior to program start up



**Thank You**

Questions?

# + For More Information

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