

To: EEB Evaluation Subcommittee

From: Cindy Jacobs, Principal Finance Specialist, DEEP

Subject: Comments on Impact Evaluation of the Retrocommissioning (RECX), O&M, and Business Sustainability Challenge (BSC) Programs

Date: August 17, 2012

Below are my comments on the three programs, below. For the RECx and O&M programs, I believe the consultants could provide more focused analysis within their existing budget. In the case of the BSC study, my comment is more of a critique, since the interviewing is complete.

RECx Program Evaluation:

1. In the RECx program evaluation, it was clear that the "Operations Adjustment" resulted in the greatest saving adjustments and that savings from Operations were adjusted downward for many of the projects in the sample. See tables on pp. 10, 14, 16, 18 and 19. However, the study did not state this conclusion outright. The study needs to more fully investigate why the EDCs' operations savings estimates were (1) overestimated in many of the projects as measured by the audits, and (2) larger than other types of adjustments; (3) whether the adjustments in other types of savings estimates were correlated to operations adjustments (e.g., if a measure was not fully documented and resulted in a Documentation Adjustment, did this result in an Operations Adjustment?); and (4) explain how the Recommendations on p. 22 would result in more accurate operations savings estimates. Are there a few or are there many reasons for the Operations Adjustments? Are they the result of a few large mistakes or many small errors? The study needs more explanation of the nature of these errors, perhaps a page or two of discussion and an explanatory table on this issue.
2. The study, p. 21, points out that for 8 of the 21 projects evaluated, the savings in the tracking system did not match the savings in the final version of the calculations in the project folders, and that there was a documentation problem for the largest electric saving program. However, there are no recommendations regarding documentation. The study should formulate a recommendation based on its analysis of the documentation materials.
3. There were virtually no comments regarding persistence of savings, which is an important issue in addressing retrocommissioning. Are there any findings or conclusions reached with regard to improving persistence?

O&M Services Program Evaluation:

Similar comments apply with regard to the overestimates of project savings as measured by the audits. See tables, pp. 25, 26, 27, 31, 33, 34 and 37.

1. The study reports, p. 38, that UI electronically documented all projects, whereas CL&P projects were documented via electronic and paper documents, and that "[t]he actual collection of the

hard copy project information was a difficult task.” The study should recommend that both EDCs use electronic documentation for all projects. More generally, the study should address areas in which the EDCs’ documentation for both the RECx and O&M programs can facilitate data collection for future evaluation studies. The issue of electronic data collection and data storage to facilitate use in future evaluations was discussed in DEEP’s February 17, 2012 Determination, pp. 8 and 9.

Business Sustainability Challenge Program Evaluation:

The study consists of interviews with nine BSC participants, which are in the “consultant” individualized track, or the “classes” group track, or in both tracks. Interviews focused on the following characteristics of the program: staffing, metrics/tracking, goals, projects and staff behavior, and overall value.

The interviews suggested a varying degree of business engagement and program success in changing business practices. Although interviews are designed to focus on qualitative input and anecdotal responses (and did not measure actual savings), I found very little summary analysis to provide guidance on how to improve the delivery of the program. There should have been a quantitative metric, e.g., 1 through 5, in which participants rate each of the characteristics of the program, in a manner similar to college teaching evaluations. This can help determine what key factors led to satisfaction and perceived effectiveness of the programs in the eyes of the participants. There was no explicit question about whether senior management was engaged, or suggestions for how to engage senior management, which would seem to be a significant variable in the success in a BSC effort. Although it is too late for this study, for future studies, the Evaluation Committee should keep in mind how quantitative analysis can illuminate qualitative interviewing responses.

The Recommendations, p. 59, were reasonable and informative, but I felt that study could have contained better analysis and more focused recommendations.