**MEMORANDUM**

**Date**: 12/9/19

**To**: CT EEB Evaluation Committee

**From**: EA Team

**Subject**: Overview of Evaluation Plan Update, Revised

The Adopted Evaluation Plan included the following 21 projects, budgets, and spending pattern.

Table 1: Adopted Plan, 2019-21



The Adopted Three-Year Evaluation Plan totals $7.93 million in projects. In 2019, RFPs were issued, contractors selected, and contracts were let for the projects that were planned to start in 2019. This includes the following list of projects.[[1]](#footnote-1)

Table 2: Projects Contracted 2019

|  |  |  |  |
| --- | --- | --- | --- |
| Firm | Proj | Budget |  |
| ERS | C1906 SEM | $264,880 |  |
| ERS | X1931 PSD | $604,211 |  |
| ERS | X1939 Early Retirement | $284,543 |  |
| Evergreen | R1982 Res HVAC/DHW | $740,000 |  |
| TRC | X1941 MF | $369,054 |  |
| EMI | R1973 Retail Nonlighting Prods | $199,762 |  |
| NMR | 1932 DR Pilots (R1648) |  | $375,000 |
| NMR | R1965 HP/HPWH | $250,000 |  |
| NMR | R1959 SF Renov | $135,000 |  |
| NMR | R1963A ST Res Lighting | $110,000 |  |
| SCS | R1963B ST Res Lighting | $40,000 | Total New |
| ODC | C1901 C&I Sector-Wide Process | $594,000 | $3,591,450\* |

This list includes 12 contracts, for 11 projects (R1963a was split between two contractors). One contract was not let in this round (X1942, crosscutting NEIs) because only one (weak) proposal was received in the last round.

Also, the status of the DR pilots is a little unclear; there is a cooperative effort with MA being undertaken with that project. Only 5% of this project’s budget was expected to be spent in 2019; we will expect to conduct work for this project going forward. Including the DR project, a total of $3,966,450 was contracted.

This implies that there is approximately $3.964 million remaining to be let. We had expected to issue RFPs for projects starting in 2020 and 2021 both this year to assure 2021 projects would begin without contract lag (only two projects were expected to begin in 2021 – both large commercial projects, both discussed below).

**Update Process and Considerations**

The annual update process allows for adjustments in the Plan for changing priorities, opportunities to leverage projects with other states – or recognize new work that has been conducted in other states, timing changes, and so on.

**Recommend Delay of 2 Approved C&I projects:** The team reviewed the schedules and determined that two projects should shift in schedule:

* C1920, EO impact (phase 1 in this plan for $565K)
* C1918, SBEA Impact ($375K)

The two C&I projects that were expected to begin in 2021 are recommended to be shifted into the 2022-24 Evaluation Plan (freeing up $940K in this plan). The rationale is that the 5-year ISO schedule does not need updated projects yet. The negative side of this is that the bulk of these expenditures for these large projects will both occur in the next cycle, taking up a large share of the 3-year plan budget. We will work to stagger them as much as possible, within the 5-year cycle needs.

**Other recommended changes to existing Approved Projects**:

* The R1969 project (Evaluation of the behavioral program) should be cancelled as the existing program is being cancelled by Eversource ($65K)
* The HES projects are recommended to be revised to include a much deeper drill-down on impact evaluation and evaluation findings. We are also considering integrating the impact and process work because some of the types of program / results interlinks are difficult to explore when process and impact work are not conducted jointly. HES is the flagship residential program.[[2]](#footnote-2)
* *We are strongly considering repurposing the “drill-down” funds from R1603 HES impact to this deeper HES project. It seems inefficient to re-examine older program data in more detail. We are concerned about how this may be accomplished, as this project was part of the previous 3-year plan. This would be on the order of $60K.[[3]](#footnote-3)*

These budget changes total approximately $1.065 million.

**Project Groupings associated with the 2019-21 Evaluation Plan Update**

New projects concepts were solicited as part of this update process, and quite a number were received. The EA Team reviewed these projects and identified three main groupings, which we are in the process of scoring.

1. **(Remaining) Existing / Approved projects**: These projects were ranked highly in the Adopted Plan and are still in contention for the Updated Plan.
2. **New Project Ideas that we believe should be prioritized as part of the X1931 Comprehensive Cross-cutting PSD Review project that is underway**. This X1931 project includes two phases: an in-depth review of the existing PSD (strong / weak / missing numbers and computations; underpinnings, etc.), and prioritization of gaps, followed by “easy fill-ins” from other states with strong numbers, and funds for some primary research on priority gaps. Next steps / priority gaps that were not filled within the project will also be identified. We have categorized a number of the new project ideas as *appropriate to be prioritized under this integrated PSD process, and not try to conduct another prioritization outside that process*.
3. **New Project Ideas that should be Prioritized as part of this Plan Update Process**. A set of new project ideas that were not directly PSD; or were integrated, across-sector items; or were (long) identified as important topics; or were larger-scale projects that would likely not be affordable under the PSD project umbrella; or distinct for other reasons, are also being scored / prioritized by the EA Team.

The three groupings of projects are listed below and we expect to finish the primary scoring shortly (not prioritized within groups).

* The running total including all 3-year projects that are contracted plus new ideas is about $8.63 million and the approved budget for the 3-year plan is $7.93 million (exceeding total by $700K).[[4]](#footnote-4)
* Before adding new projects, the running budget is $6.775 million[[5]](#footnote-5) ($1.155 million below approved budget)[[6]](#footnote-6)

The next step is identifying the highest priority projects within the approved budget, using the multistep scoring process endorsed by the Committee. This step is underway.

We would like to try to have the discussion(s) and approval with the Committee in December, if discussion dates can be identified. Then we can develop the needed RFPs and get them on the street asap in 2020. Recall we do solicit edits / comments from the Committee on the RFPs as a part of that process. ***Note, we are deferring any changes in the competitive contracting process until after our Roadmap revision process, planned for 2020; the full competitive process will be used for these projects.***

Table 3: Status of Projects and Concepts for 2019-2021 Plan Update – Existing Contracts and Proposed Scoring Groups



Table 4: Status of Projects and Concepts for 2019-2021 Plan Update – Proposed PSD and Excluded Groups



1. *Important note, the contracting process for UI is not yet complete as of this date. This has significantly impacted the amount that has been able to be spent in 2019 (far below expectations), as well as work progress because data have not yet been provided by UI because they have not completed their contracting process. Eversource completed the process some months ago and has provided data per requests.* [↑](#footnote-ref-1)
2. *Note, a separate MF impact evaluation has already been contracted and is underway.*  [↑](#footnote-ref-2)
3. *IF these are use-or-lose within the 3 year plan, we would propose to reassign those dollars to 2 projects that were contracted within that 3-year plan. C1644 has a $10K overrun the EA Team would recommend; and the RASS project (R1706) can conduct a couple of database enhancements that were requested during the final project presentation. These include EE thresholds for mechanical equipment and determine percent that are EE, and potentially adding in additional MF data, for a total of $25K or so.*  [↑](#footnote-ref-3)
4. *This will change if we elect to retain some specific budget dollars for next year’s emerging issues (a la X1940).* [↑](#footnote-ref-4)
5. *Including the enhanced NEI budget; the new concept portion of that budget is about $200K.* [↑](#footnote-ref-5)
6. *Note that we may add in two additional items: C1644 extra budget, and the enhanced RASS database elements mentioned in a previous footnote.* [↑](#footnote-ref-6)