**MEMORANDUM/ABSTRACT**

**DATE: 1/7/22**

**TO: CT EEB**

**FROM: Evaluation Administrators**

**SUBJECT: Abstract of Evaluation Plan / Requests for EEB’s January 2022 Meeting**

**ACTION/REQUEST**: At the request of the EEB, the Evaluation Administrators are providing a more detailed briefing on the 3-Year Evaluation Plan and budget for the EEB January meeting, and request the following action:

* Approval of the proposed 2022-24 Evaluation Plan Budget and EA Team Budget (Figure 1), which has been approved by Evaluation Committee vote.

**Figure A.1: Three-Year Evaluation Plan Budget**

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| Budget Entry | Year 2022 | Year 2023 | Year 2024 | Total |
| Evaluation Plan / Studies | $4,500K | $4,500K | $5,775K | $14,775K |
| EA Budget | $444.1K | $444.1K | $531.2K | $1,419.4K |

This is higher than the adopted C&LM plan by $1.275M (9%) for Evaluation studies and $87K (6.5%) for EA team. The excess represents 0.2% of the adopted C&LM Plan. The array of Evaluation studies far surpasses past portfolios, and includes 17 requested topic studies aimed at informing the rapid changes in EE in CT. The new Roadmap changes (especially 3-year contracting) allows evaluation studies to be more nimble, timely, and responsive. The EA team scope is also provided for review.

**ABSTRACT**:

. The background and requests summarized here are excerpted from attached documents including:

* The 1.5-page abstract at the front of the 2022-24 Three-Year Evaluation Plan
* The 16-slide presentation on the Evaluation Plan for 2022-24, and
* The Evaluation Administrator work scope.

**Improved Evaluation Flexibility**: Two key changes in the Roadmap in 2021 improve CT’s Evaluation environment. 1) Return to 3-year research area contractors (Residential, Commercial, and Crosscutting & Topics), eliminating the structure and impediments of annual RFPs and contracting delays. Contracting occurs once, with simple task additions thereafter. Projects can begin quickly; studies can be smaller / more responsive. 2) more communication / input at development and scoping stage for better and up-to-date project focus.

**Budget Needs / Industry Standard**: The EA and Evaluation Committee are recommending an Evaluation Plan budget that is significantly higher than in the past. Energy efficiency needs in the State are changing, and stakeholders expressed increasing need for focus on substantive, forward-looking topics. This necessitated consideration of changes in evaluation range and budgets. In addition, Evaluation study budgets as a share of C&LM plan and program budgets in CT had decreased from 2.1% (2012) to less than 1.1% (2020), and studies by national organizations (E-Source) indicated industry standard is 2-2.5%. EA met with the C&LM planners to recommend a substantial increase, to bring the state to standard and address increased needs. EA team budgets increase 70% with doubling of study budgets (recognizing fixed costs).

**Study Range**: For budget and other reasons, Evaluation had largely focused on basic impact/process studies, and projects were hampered by small sample sizes and disappointingly narrow scopes. EE is now changing rapidly, nationally and in CT (decline of lighting, GHG focus, electrification, DEI, policy and “next directions”), so static evaluations of generations of the same programs do not well-inform next programs, next measures, next issues, or performance of new initiatives in CT. The interactive Evaluation Plan development process received dozens of needed study concepts beyond the same old. The additional budget funds:

* Larger sample sizes, allowing results by subpopulation (customer group, end-uses, territory, DEI)
* Long-needed baseline and saturation studies, with flexible databases for planning & needs
* Studies providing market understanding, and Industry Standard Practices (ISP) for savings estimates reflecting real-world baselines and potential.
* And most importantly, an array of Topic studies related to:
  + best practices; potential of new programs and next measures; field studies for PSD and potential information; opportunities for mor joint studies;
  + important issues including HP, electrification, treatment of gas, new measures, H&S, equity studies, weatherization and barriers (residential and C&I),
  + practical topics on data and evaluability.

**Study List**: The allocation of studies by subcategories, and the study list, sorted by type, are included in the Evaluation Plan and also attached here.

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|  | *(\*\*) Table Note: $5.025\* is the budget for impact if we include the 2nd half of two large C&I impact studies, which carry over to 2025, per FCM timing needs). That budget is not in this plan.* |

**Figure A3: Evaluation Study List by type, with Budget and Start Year** (grey indicates only part of the total budget is spent in 2022-24 period)

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