**MEMORANDUM**

**DATE**: 7/12/21

**TO**: EVALUATION COMMITTEE

**FROM**: EA TEAM

**SUBJ**: EA TEAM BUDGET FOR 2022-24 PLAN

Two evaluation budget recommendations have been requested in association with the 2022-24 Plan:

1. Evaluation Plan annual budget for projects, and
2. Associated Evaluation Administrator budget.

Item 1:

In two C&LM Plan planning meetings that were held with the Utilities and Technical Consultants in May / June, the EA Team was asked for input into the process of developing budget estimates for evaluation elements within the 2022-24 C&LM Plan. The EA Team noted that evaluation projects as a percent of the C&LM Plan programs had fallen to half its 2012 values (from 2.1% to 1.07% by 2019 / see Legislative Report), and that E-Source research indicated that national averages were a bit more than 2%, with higher figures than that in the Northeast.

**Recommended - Annual Evaluation Project Budgets Increased to Closer to Industry Standard**: The group agreed that a goal of 2% was appropriate, and that it would imply moving from $3 million per year to $6 [[1]](#footnote-1)million per year in evaluation-related studies. It was also generally agreed that the first year should be a ramp-up year, to $4.5 million, or a 50% increase over current goal annual expenditures.[[2]](#footnote-2)

**Item 1 Motion - Does the Committee agree with this recommendation and general agreement for an increase to $4.5 million in 2022 and $6 million in 2023 and 2024? Discussion.**

Item 2:

As a follow-on, the budget for the Evaluation Administrator also needs to increase to oversee this work. In response to provide a quickly-needed number for Bruno / Reed for the Plan, the EA Team suggested a 35% increase in EA Team budget for a 50% increase in the evaluation program budgets.

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| --- | --- |
| Causes of increases over current budget | Causes of economies |
| * More projects will be contracted / undertaken and need oversight * More surveys and documents to review, *more studies, more development and monitoring, more review of instruments, methods, results, finalization* * EA Team responsibilities and participation in the C&LM process have increased / expanded, conforming with more of the Roadmap more explicitly, and more activity in calls for input | * Some of project budgets will be used for additional sample size which does not increase EA workload * RFP and contracting workload should decrease with research area contracts * Weekly / bi-weekly calls should decrease with fewer subcontractors * Less training / retraining in CT procedures for Roadmap and data as contractors get more experienced and their familiarity with the programs grows. |

Recommended – a less-than-proportional increase in the evaluation administrator budget.

**Item 2 Motion – Does the Committee agree with this recommendation that increases the EA Team budget by 35% for a 50% increase in evaluation project budgets, translating to 70% for a doubling of the Evaluation project budget total? Discussion.**

The text of the July 2 email budget for following as a recommendation for a number to be included in a quickly-needed budget value.

*Steve and Glenn –*

*Thanks for the opportunity to review these materials.  We do have a comment on the budget page.  We appreciate the follow-through on the increase in the Evaluation Studies budget, moving toward the higher (goal) percent in this first increment in 2022, and up from there in the future.*

*During our 2 meetings on the Plan, I had promised to get back with the amount of increase we would need to add for the Evaluation Administrator budget, and I did not yet get back to you on that.  The $329K figure corresponds to a lower workload (for one example, the studies are having more PSD implications), and the last two years have also found one-off increases in the EA Budget have been needed (partly for significant extra work for summer updates from project timing shifts due to contracting and data issues).*

*The 2022 evaluation studies budget is 50% higher than 2021.  We do expect economies because larger sample sizes (adding to budget) do not require more EA Team review.  However, more studies, more development, more review of instruments, methods, results, and etc. increase the workload.  We are proposing an increase of 35% to $444K, and would like you to include that as a placeholder in these tables.  We will be meeting with the Evaluation Committee a week from Monday, and will discuss this further with them and circle back with you on an agreed number.  Thank you.*

1. Note that we do not / did not have figures for the C&LM Plan dollars; as a proxy, the group used the $3 million as 1%. [↑](#footnote-ref-1)
2. This would lead to a $444K rather than $329K (35% increase with 50% increase in project budgets). [↑](#footnote-ref-2)