


Evaluation Workgroup

March 24, 2010

1c – Definition of schedule/timeline

Rule 46. (1) Energy optimization program evaluation requirements for plan proceedings shall include all of the following:

(c) Proposed evaluation schedule or timeline for implementation of evaluation components.



1e – Do methods across IOUs
need to be consistent?

(e) Evaluation methodology including a description of the evaluation approaches considered or ultimately selected for calculating gross and net energy savings.



1f – Clarification of rule: Programs implemented vs. approved.

(f) When relevant and practicable, market effects evaluations and process evaluations for each energy optimization program that was approved in the prior energy optimization plan, and is proposed to be continued in the current plan period.



1g – Discussion of what this clause means.

(g) Other evaluation requirements as determined by the commission.




Discussion of what this clause means (specifically “consideration of.....”)

2) Energy optimization program evaluation requirements for reconciliation proceedings shall include all of the following:

(b) Independent validation of net energy savings achieved by the providers’ energy optimization program. The quantification of net energy savings achieved shall include a consideration of program participation levels, gross energy savings and net to gross ratio factors.

Defining what the current MEMD actually is.


- What do we mean by deemed estimated savings value?
- What does “measured gross energy savings values using sampling methods mean?”



(d) The use of MEMD values, current at the time the associated energy optimization plan was approved by the commission, or engineering estimates current at the time the energy optimization plan was approved by the commission or measures not included in the MEMD as the source for gross energy savings. The commission, for good cause, may order a provider to use measured gross energy savings values using sampling methods.

2e – Discussion of Net-to-Gross application.

- Identification of measure vs. program NTG
- If NTG at measure level how to define NTG for measures not evaluated (e.g., measures with low participation – pipe wrap)
- Timing for application (not every program will have evaluations every year or even in the year after plan approval)
- Each utility will derive NTG for their measures/programs. Does the collaborative evaluate all NTGs to develop a common NTG?




(e) The filing of a provider-specific measured net to gross ratio analysis for each program implemented during the calendar year being reconciled. The net to gross ratio analysis will be updated every 3 years, and in the interim, providers may use the most current analysis as the source for deemed net to gross ratio values. Providers with less than 1,000,000 customers may file a joint net to gross ratio analysis, and may upon commission approval, use statewide deemed net to gross ratio values developed by a statewide collaborative that includes interested stakeholders and meets regularly for design, planning, implementation and evaluation of programs.




2g – Clarify this rule


(g) Documentation of the source of stipulated gross energy savings or net to gross ratio factors used in the evaluation.



2h – Clarification of what this rule requires compared to agreements previously made with self direct customers

(h) An independent evaluation of the savings from measures implemented by self-directed customer plans and attributed to the provider's energy optimization program or attributed to the administrator's energy optimization program for such utility that has all of the following attributes:

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- (i) The scope of the review shall be limited to the self-directed customer's savings calculations, plans and biennial and annual reports described in Section 93(8) and (9) of the act, MCL 460.1093(8) and (9).
 - (ii) Where necessary, the evaluation shall include recommended adjustments to the savings claimed by self-directed customers
 - (iii) The independent evaluation shall include a verification of whether or not customers have actually implemented the measures indicated in their plans, and a validation of achieved savings, using documentation review and analysis of self-reported information contained in the customer biennial reports, combined with interviews and surveys as deemed necessary
 - (iv) The commission staff may conduct field verification.
 - (v) Any other information that the commission determines to be necessary.



3) Discussion of language for identifying 2010 as having NTG of 1 and language identifying NTG application for 2011 and beyond

3) For the first year of the programs, a net to gross ratio of 1.0 shall be used in the reconciliation proceedings. In addition, gross savings discount factors reflecting installation and operation shall also be 1.0 for the first reconciliation. For subsequent years, and unless otherwise approved by the commission, the values of a net to gross ratio and operation and installation discount factors shall be based upon program evaluations under subrule (2) of this rule.