

Program and Technology Pilots Workgroup

Summarized Information for Consumers Energy, DTE Energy, and I&M

Introduction

The utilities appreciate the discussion over the course of the collaborative workgroup. It has been a constructive forum for sharing the many pilots and pilot approaches both within Michigan and across the country. The idea that there are numerous approaches to pilot conceptualization, objective setting, design, and analysis was mentioned by several stakeholders, including the Michigan utilities and the many expert presenters from around the country. There was broad agreement from all parties that pilots play an important role in learning about technology readiness and impact, behavior responses, operational technology, and business process improvement. The regulatory constructs to support the wide array of pilots past and present are effective at ensuring prudent efforts which drive meaningful outcomes for customers. The diversity in pilots requires a diversity in approaches, both procedurally and in implementation, to maintain the robust agility and accountability present today.

Definition of a “pilot”

A pilot can be defined in many ways and depending on context or orientation, those definitions may be very different. This was evident in the presentations in the early meetings of the collaborative as several vendors and service providers discussed their approaches to defining and contextualizing pilots. The suggested definitions were diverse and reflected both differing views on the fundamental nature of pilots and boundaries for considering if an effort is a “pilot”.

The utilities suggest a pilot definition that allows for flexibility and evolution as requirements and best practices change, recognizing that pilots take many forms and supporting requirements will not be static. One option is adapted from the EPA’s National Action Plan for Energy Efficiency, “a program idea or delivery approach offered in limited duration, geography, sector, or technology with a set of questions and objectives designed to be tested”.

Recommendations for objective criteria for use when evaluating proposed utility pilot projects

There is a great deal of variance in pilot types, pilot designs and information needed. Note the following examples:

- Study of Self-Sustaining Treatment for Active Remediation (STAR) for a Manufactured Gas Plant Remediation (Consumers Energy)
- Study of Demand Response using Customer Thermostats in a Bring Your Own Device Pilot (Consumers Energy)
- Study of residential customer behavior in the SmartCurrents Pilot (DTE Energy)
- Study of technology and operational processes in the O’Shea Battery Storage Pilot (DTE Energy)
- Study of energy savings in an electrical plug load pilot (I&M)

It is important to keep in mind that the priority for every pilot is to learn, and a pilot project is a success if learnings are achieved. It is clear that across these pilots and the many others conducted by the utilities, the critical objective criteria includes, but is not limited to, how learnings from the pilot may enable a utility to improve safety, reliability, customer satisfaction, affordability. While recognizing that each pilot is distinct with diverse planning objectives, such criteria should allow for flexible approaches the support efficiency and cost-effective processes within each utility.

Description of the pilot process and recommendations for stakeholder involvement

At a high level, each utility described how they generally approach pilot development and execution. While the names of specific steps differ among the utilities, they each include core elements including definition of the opportunity or need, and planning, executing, and assessing the pilot. Utilities respectfully recommend that the processes remain consistent with successful existing practices, which have been developed over time to meet specific needs at each utility and in cross-utility areas (such as Energy Waste Reduction, for example).

Utilities engage stakeholders across our respective pilot development processes. The type and scope of that engagement is reflective of the specific pilot, and larger, broader scope pilots will drive more expansive stakeholder coordination and discussion. Early engagement is a feature of certain pilots that have extensive or novel touchpoints with customers, or which have a specific focus that is best informed by early collaboration. Other pilots are the subject of extensive discussion with Staff before being formally proposed. The presentations and discussions during the collaborative workgroup captured this broad range of pilot objectives, scope, and stakeholder engagement. Beyond what is already standard practice, the utilities continue to look for approaches to engage with stakeholders, including Staff, and expand the involved stakeholders as is appropriate to a particular pilot.

Reporting and Information Sharing

Utilities frequently share learnings with other utilities, the Commission and Staff, and third-party stakeholders. The key information shared includes the goal of the pilot, key metrics, the results, and the next stages planned, and often includes collaborative discussions about where and how to develop next steps. Utilities generate and share data-driven results from many pilots each year – some of these reports were highlighted during the utility presentations. Many program and technology pilots require filed information that describe outcomes and scope. To support the coordination of pilot results provided by utilities to the Commission in many proceedings, the utilities could support the establishment of a system where publicly filed information on pilots can be cross-referenced for ease of navigation and identification.

The utilities recognize the interest in the publication of granular data and recommend that expectations regarding reporting reflect data aggregation at an appropriate level and include information generally provided and understood not to infringe on the data privacy and data accessibility rules approved in 2017. Further reporting should remain voluntary based on details specific to the pilot project being discussed and the pilot specific considerations.

Conclusion

The utilities appreciate the opportunity to participate in the workgroups. In summary, some recommendations include

- Pilots defined as “a program idea or delivery approach offered in limited duration, geography, sector, or technology with a set of questions and objectives designed to be tested”.
- Processes remain consistent with successful existing practices.
- Reporting reflects data aggregation at an appropriate level, include information generally provided and understood not to infringe on data privacy, and that further reporting remain voluntary.
- Objective criteria should be matched to the objective and scope of the pilot, with appropriate flexibility.