



Cost-effectiveness & Evaluation Advisory Committee Meeting

Northwest Energy Efficiency Alliance

July 31, 2024

CLASSIFICATION LEVEL: PUBLIC





Introductions & Ice Breaker

- Name
- Organization
- Are you a morning person?





Agenda

10:00am

Welcome/Agenda Review

10:15

- Brief Refresher: NMR Initial Findings
- Questions and clarification from the committee

10:30

Roundtable Questions:

1. What are the key implications from your perspective on the alternative approaches? What are the things you are most positive about and most concerned about in the alternatives and NMR's initial recommendations?
2. What, if anything, strikes you as particularly surprising or interesting with regard to NMR's draft recommendations?
3. Does your organization believe that NEEA's current evaluation approach with the initial recommended changes from NMR is sufficient to assess influence? Why or why not?

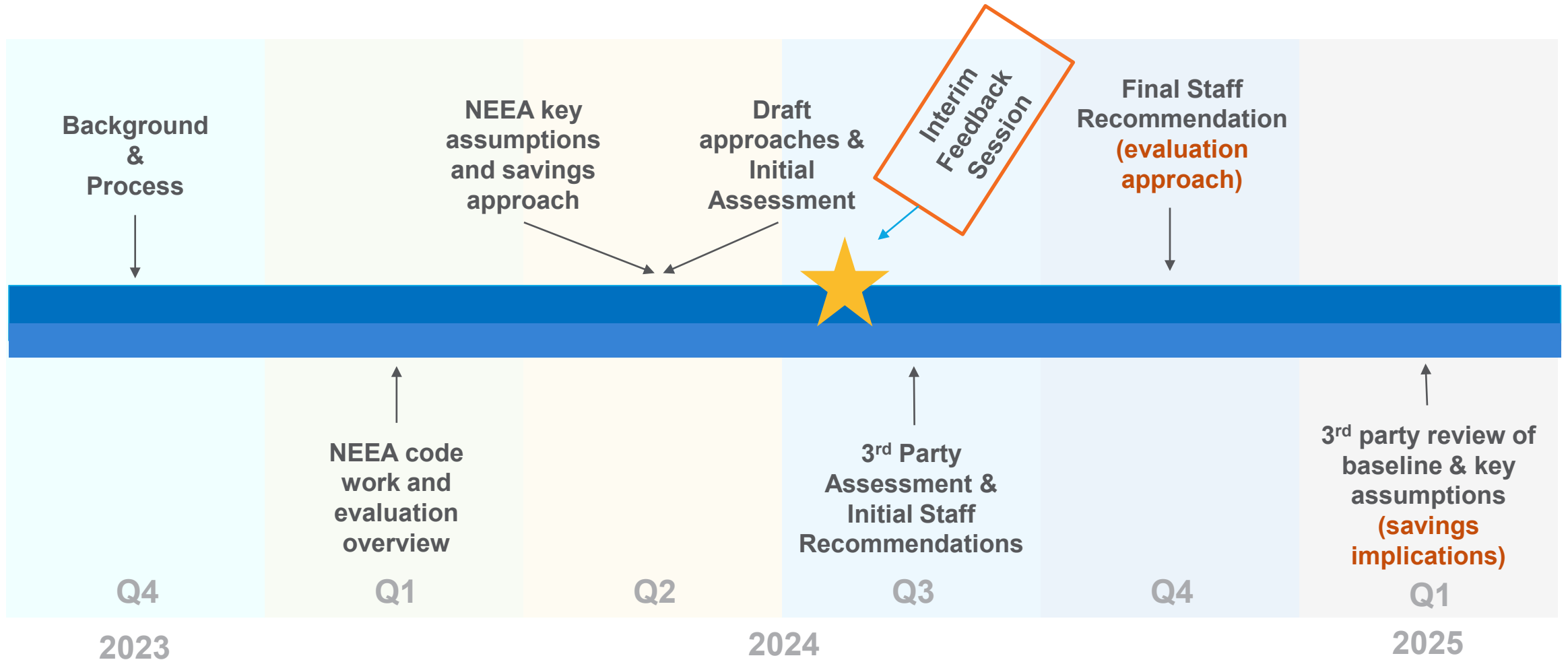
11:45

Wrap Up

- Next Steps
- Feedback



Process Update





Outcomes for Today

1. **Clarity** on approaches and NMR analysis
2. **Feedback** from each committee member
3. **Discussion** about key priorities and concerns
4. **Preparation** for staff recommendations and next steps





Starting Point Reminders

Recommendation #9*: Complete influence evaluations for each code update to estimate NEEA's qualitative and quantitative influence towards the code update, or, alternatively, incorporating a quantitative method for isolating incremental savings due to NEEA-specific efforts approved by a third-party evaluator.

Scope of *this* study: Conduct an independent review of NEEA's approach to evaluating its **influence** on state energy code development and adoption.

Next: 3rd party review of baseline and key assumptions used to report savings will be completed in Q1 2025.

*See [slide 76 of the Q4 2023 CEAC slides](#) for a complete list of recommendations and NEEA's responses:



NEEA Codes Research

Review of Alternate Approaches to Assessing NEEA Influence On State Energy Codes

Follow Up Discussion

July 31, 2024

Presenter Eugene McGowan

Key Staff: Matt Woundy, Jared Powell, Monica Nevius



Alternate Approaches

CA Eval Framework Quantitative Measure level Assessment

- Could be seen as highly defensible, and most accurate adjustment to gross savings
- Difficult to get to the measure level
- Large increase in time and budget
- Not a practical allocation of resources

Index of NEEA's Effective Code Proposals

- Highly cost effective, would not require any additional data collection
- Does not fully assess influence or tie efforts back to logic model
- Likely insufficient to inform an overall savings adjustment, but a good candidate for a PI
- Simple approach to build the case for NEEA influence, tracking adoption over time, supporting interview findings



Alternate Approaches

Other Standards Approach

- Qualitative ratings of NEEA's role/primacy in code cycle could be used to create a savings adjustment factor
- Not currently recommending to adopt other adjustment factor for effectiveness in overcoming barriers

Qualitative Description

- Allows for more specific mapping of activities and outcomes at the state and code cycle level
- Higher possibility of identifying and tracking PIs related to influence with more granularity
- Does not include an adjustment factor to account for other influences
- Readily implementable



Recommendations

In MPERs, conduct deeper, state-specific qualitative research to describe NEEA's work and its collaborations with partners to improve code outcomes

- Focus on measuring progress against NEEA's PTLM and confirming the impact of NEEAs' and their partner's own contributions to statelevel code improvements
- Goal is not to establish an attribution score to quantify NEEA's efforts relative to those of its partners or other advocacy groups
- Accurately characterize what role NEEA served in the partnership—influencer, facilitator, mediator—and whether NEEA's partnership included all influential actors in the process



Recommendations

At this time, do not invest in evaluation to develop and apply an adjustment factor to discount cocreated savings

- › Study did not analyze savings calcs and thus does not have data to support a recommendation to develop savings adjustment factors
- › NEEA is not required to by regulation to apply adjustment factors or conduct net savings evaluations
- › NEEA should be prepared to revisit adjustment factors if future research indicates the influence of NEEA and partners on a particular code cycle does not match historic assumptions

Recommendations

Create strategy plans for each state and code cycle as recommended in MPER #5

- Increases the possibility of identifying PIs (including short-term, one-off) related to influence on code development
- Formalize these plans as logic model components with flexible activities/outputs based on real-time needs assessments
- Aligns planning of program intervention activities closer with logic model outcomes
- Track portion of adopted NEEA code proposals as a PI to supplement data collected in interviews
- Ensure all PIs are tracked longitudinally and are easily accessible in reporting

Recommendations

Use MPERs to document and highlight the story of NEEA's codes work, including historical context, collaborative approaches with co-created savings, and the rationales for NEEA's chosen codes activities, in public facing documents or reports

- Opportunities exist to communicate codes program background in NEEA public reporting such that outside evaluators and stakeholders can more easily understand NEEA's approach
- Does not guarantee agreement with NEEA's approach, but it may limit opportunities for misunderstanding

Thank You!

Eugene McGowan
emcgowan@nmrgroupinc.com
617.544.20 10

Matt Woundy
mwoundy@nmrgroupinc.com
617.544.20 23

Jared Powell
jpowell@nmrgroupinc.com
617.544.20 13

NMR Group, Inc.

FOUNDED IN 2001

OFFICES IN CO, CT, MA, ME, NY,
NH, NJ, VA, & WA

35 EMPLOYEE OWNERS





Roundtable Questions



Roundtable

- Thoughts/feedback from each organization
- Clarifying questions encouraged
- Parking lot





Round #1

What are the key implications from your perspective on the alternative approaches?

What are the things you are most positive about and most concerned about in the alternatives and NMR's initial recommendations? Why?



Round #2

What, if anything, strikes you as particularly surprising or interesting with regard to NMR's draft recommendations?



Round #3

Does your organization believe that NEEA's current evaluation approach with the initial recommended changes from NMR is sufficient to assess influence? Why or why not?



Quick Poll (in Teams)

On a scale of 1 to 5 (1 - Not at all, 5 - Definitely)...

- 1.** How confident are you in your understanding of the evaluation approaches being considered?
- 2.** Do you feel you have had adequate opportunity to provide feedback in this process?



Next Steps

Q3 – August 28, 2024

Present refined draft approaches with 3rd party evaluator assessment.

Staff provides initial recommendation.

Q4 – November 4, 2024

Staff provides final recommendation with implications.

Staff will also address if this recommendation would need to be tested before full implementation.

Q4 Board Meeting - Executive Director shares decision with NEEA's Board of Directors

Q1 – TBD, 2025

3rd party review of state energy codes baseline methodology and key assumptions used in estimating and reporting energy savings



Next Steps: Baseline and Assumptions Review

Scope: Current approach to naturally occurring baseline and assumptions used to estimate savings, i.e.:

- 2 code cycle assumption*
- Permit/start to completion assumption

Timing: Q1 2025

3rd Party Evaluator: TBD

Results and learnings from current review of state code evaluation approaches will be a key input for this 3rd party review.

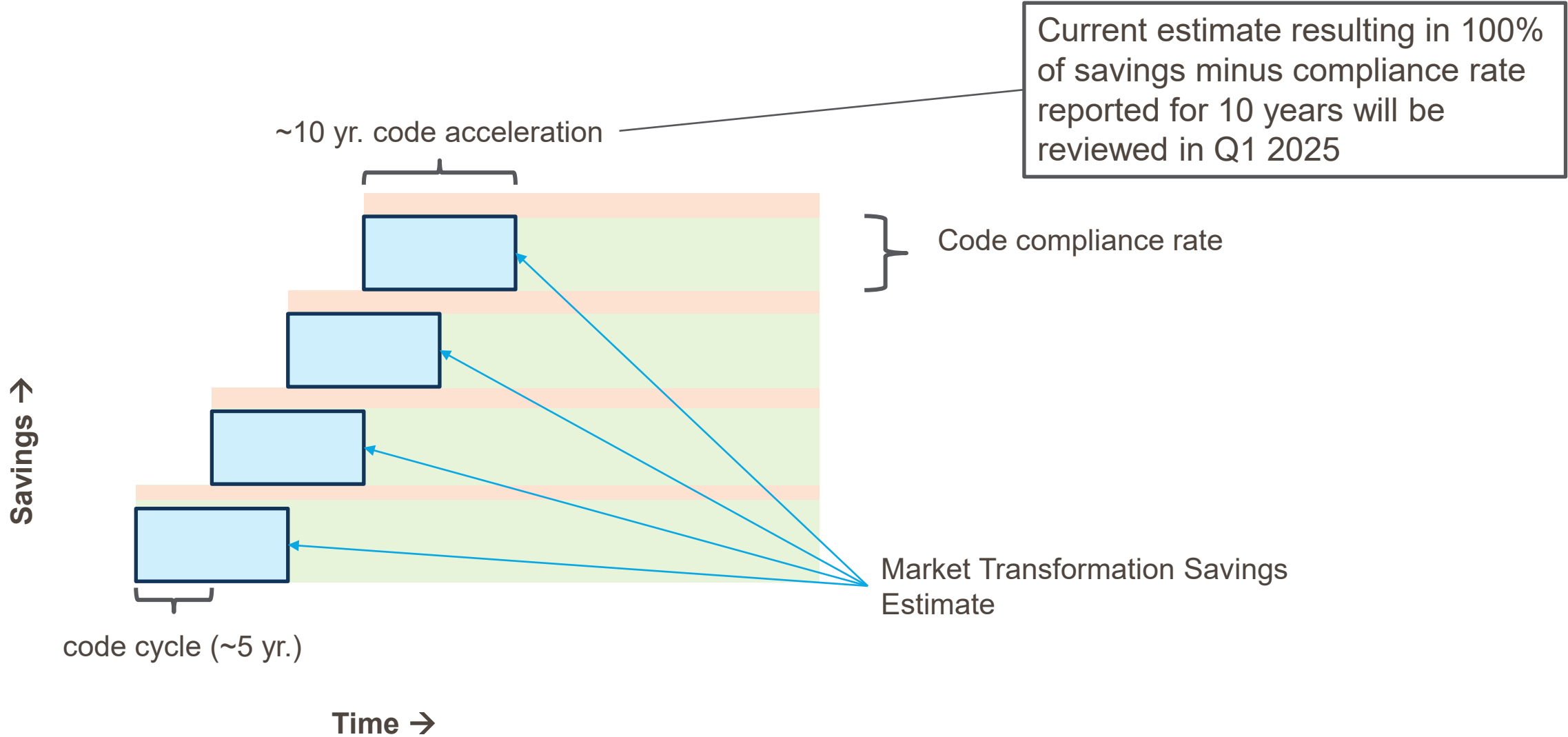
Key Outcome: May have energy savings reporting implications



*Does not impact Power Plan reported savings

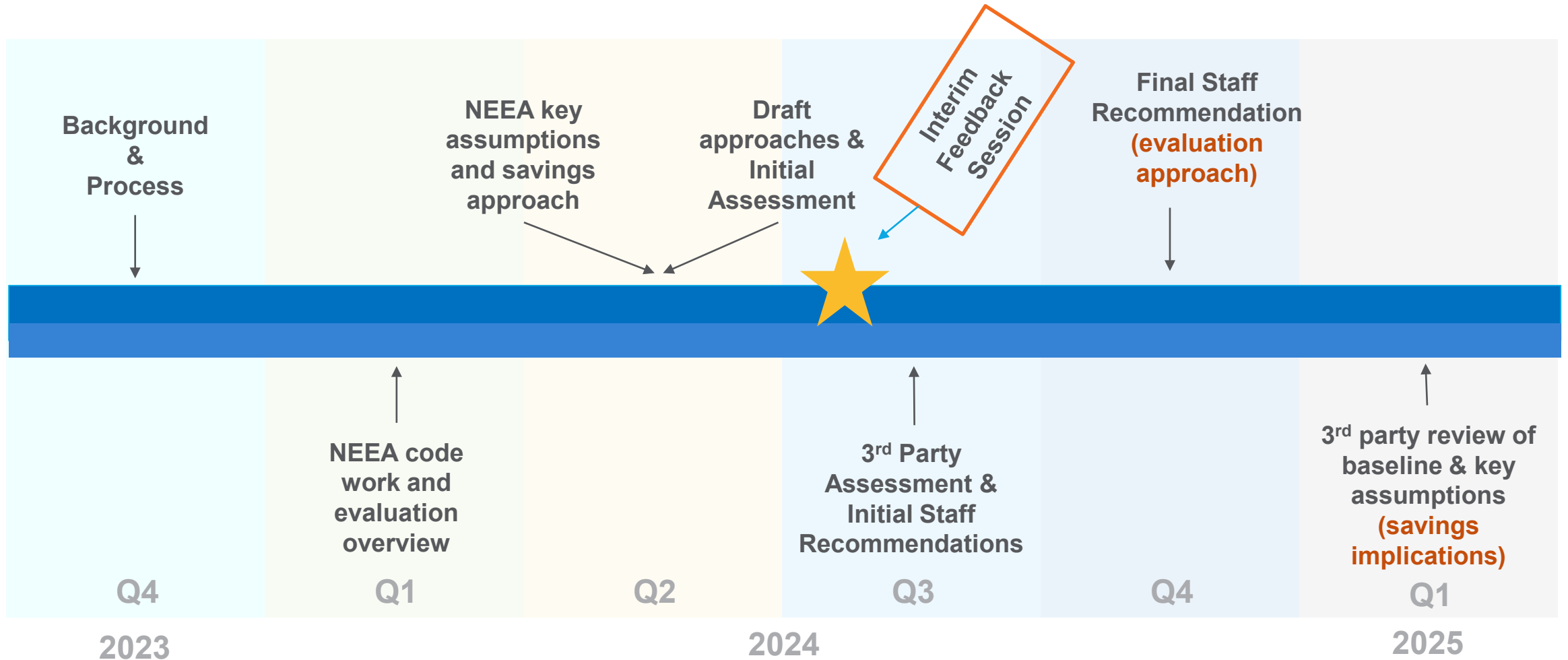


Reminder: Current Naturally Occurring Baseline Approach





Process Update





Wrap Up



Meeting Wrap-up

- Public Comment?
- Upcoming Meetings:
 - August 28th, 2024
- Feedback:
 - Overall
 - Agenda
 - Packet Materials
 - What went well?
 - What needs work?

