

AESP Brown Bag December 12, 2013

**Zero to 60:
How EM&V Ramp-Up Has
Impacted Arkansas Energy
Efficiency Efforts**



Session Overview

- Setting the Stage
 - Panelist introductions
 - A brief history of EE and EM&V in Arkansas
 - Overview of Parties Working Collaboratively
 - Current Arkansas EM&V process
- Question #1
- Question #2
- Question #3 (Time Permitting)
- Q&A/Discussion



Panel Introductions

- Richard Smith
 - Manager, Energy Efficiency, Resource Planning, Entergy Arkansas, Inc.,
- Matthew Klucher
 - Director of Rates and Demand Resources, APSC Staff
- Dr. Katherine Johnson
 - Johnson Consulting Group; Arkansas Independent Evaluation Monitor
- Adam Thomas
 - Program Manager, ADM Associates, Inc.
- Jonathan Kleinman, Moderator
 - Vice President, CLEAResult

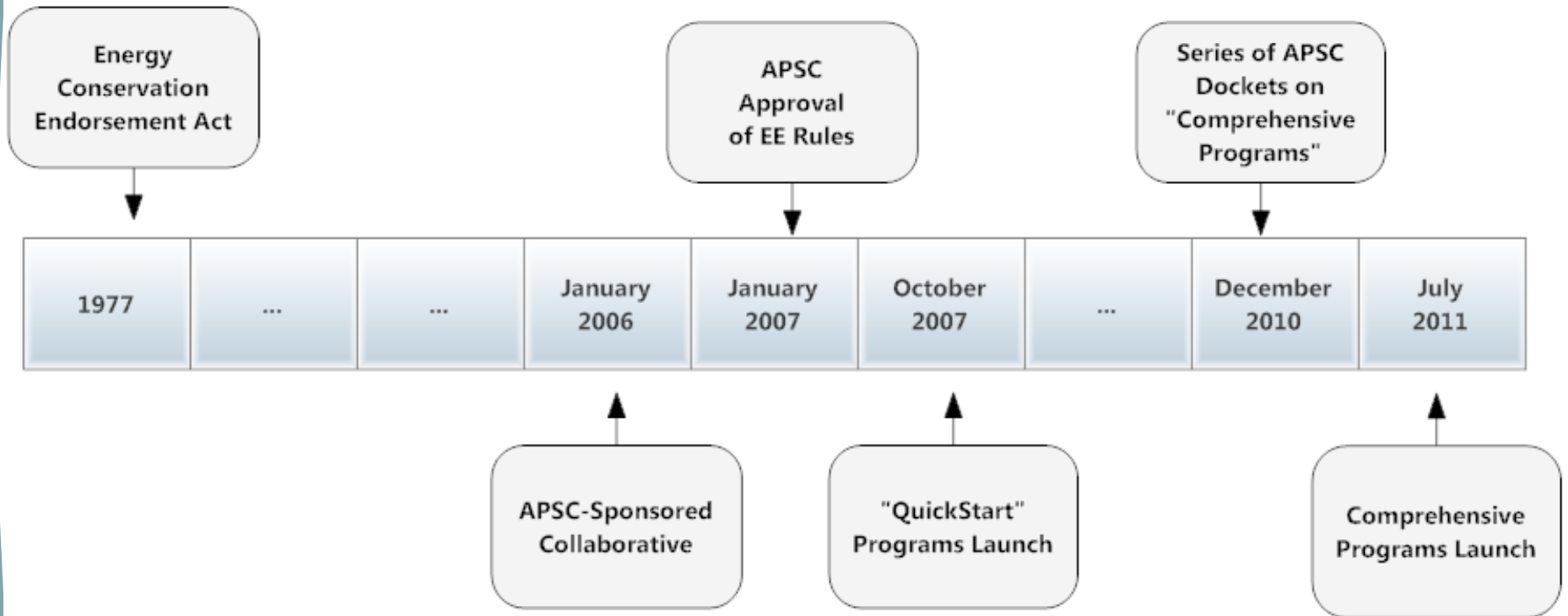


Organizations Represented

- Entergy Arkansas, Inc.- Program Administrator
- Regulator
- Independent Evaluation Monitor
- EM&V Contractor
- Implementation Contractor



Arkansas Energy Efficiency History



EM&V in Arkansas

- APSC Docket 10-100-R
 - Development of EM&V “Best Practices” to ensure EE achievement in subsequent (2011-2013) plan
- Parties Working Collaboratively
 - Stakeholder collaborative to recommend EM&V protocols and any necessary amendments to rule
- Independent Evaluation Monitor
 - APSC directed General Staff to engage independent EM&V expert
- Technical Reference Manual
 - Version 1.0 approved October 2011

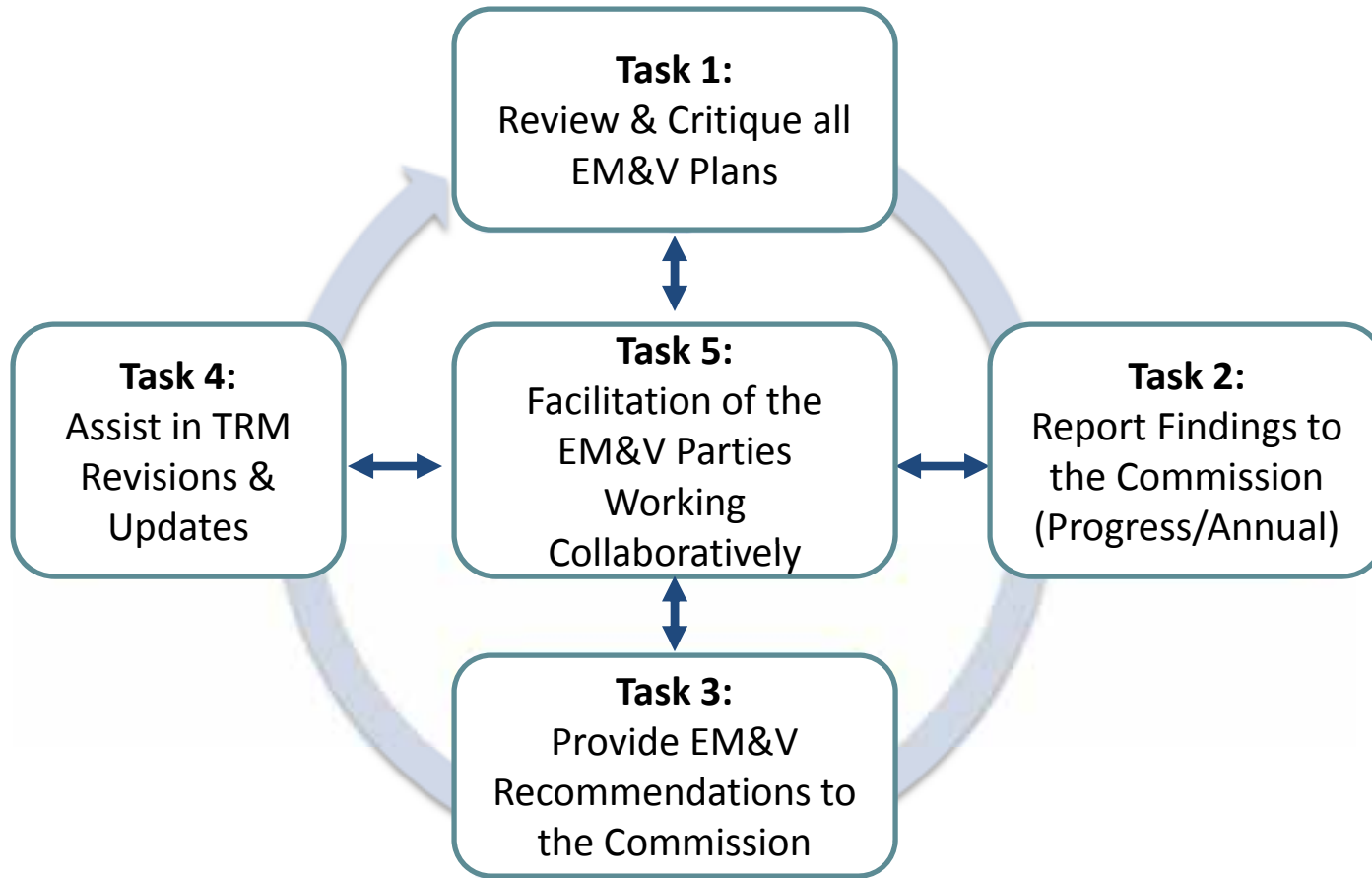


Parties Working Collaboratively

- Working Group, not Decision-Maker
 - Makes recommendations to APSC
 - Forum for staff, utilities, and interveners to discuss issues and minimize litigation
 - Focus has broadened from EM&V to EE policy
- Wide Representation
 - Large C&I customers, Attorney General's Office, environmental groups, low income advocates, colleges and technical schools, independent evaluators, utilities and utility business partners



Role of the IEM



Discussion Question #1: Managing EM&V through PWC?

- Successes

- Input from parties and interested non-party participants
- Consensus on most issues
- Reduction in “single issue” interests
- Coordination
- Transparency
- Consistency
- Credibility
- Speed

- Challenges

- Balancing diverse interests
- “Forming, Storming, Norming” – and repeat
- Managing “non-consensus”
- Time commitment and requirement, and associated costs
- Consensus may not mean optimization

Discussion Question #2: Impacts to Your Organization?

- EM&V Impacts

- Tailored approach to areas with greatest impact
- IEM allows for partnership between EM&V and utility
- Short reporting schedule

- TRM Impacts

- Retroactive application has adversely impacted planning and program costs
- Stabilizing on third iteration

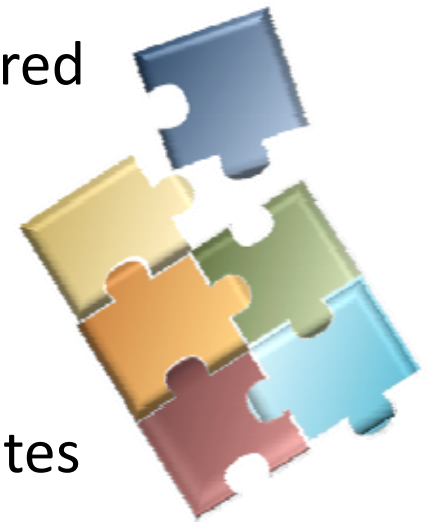
- PWC Impacts

- Cross-training and new relationships
- Significant time investment to PWC and away from program management
- Personal energy investment in reaching consensus
- Limits the number of contested issues that parties raise to the APSC

Discussion Question #3:

Recommendations to Other States?

- Collaborative Effectiveness
 - Despite challenges, time to complete tasks has been shorter than otherwise would have occurred
- “Fast,” “Good,” or “Affordable” – Pick 2
 - Be up front on objectives, and manage expectations accordingly in the short term
- Transparency and Clarity
 - Roles, responsibilities, process, meetings, minutes
- Be Ready to be Flexible and Uncomfortable
 - Willingness to make rapid adjustments
- Advance Research
 - Become familiar with EM&V and TRM Options



QUESTIONS?





Save the Dates

Jan. 27-30, 2014

AESP's National Conference
San Diego, CA

May 12-14, 2014

AESP's Spring Conference
Baltimore, MD

Aug. 4-6, 2014

AESP's Summer Conference
San Francisco, CA

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