NHLA Questions for ODC and Stakeholders about the HEA NEI Study B/C Working Group July 11, 2018 Prepared by Ray Burke

NHLA's General Questions for ODC, Staff and Stakeholders

- 1. Can you provide more detail about how the two consultants, ODC and DNV-GL, will collaborate given the overlap?
 - a. Will ODC have the NEI portion of its study completed before DNV-GL finishes its work?
 - b. Since it appears that ODC is going to finish its work first, will DNV-GL be incorporating ODC's findings in its general NEI study of all programs?
- 2. Will all of the ODC memos that are prepared at the various stages be shared with the B/C Work Group in addition to the EM&V Work Group (see page 1 of 7/9/18 ODC memo)?
- 3. The National Standard Practice Manual states that it is valuable to collect some qualitative information that can be used to inform cost-effectiveness tests when impacts are difficult to put into monetary terms. Will you study gather and discuss any qualitative information about hard-to-monetize impacts?
 - a. Will your final report provide any recommendations for how to approximate hard-to-monetize or hard-to-quantify impacts?
 - b. Will your review of the literature include a review of different kinds of proxies for hard-to-measure impacts (i.e. percentage adder, savings multipliers, and measure multipliers)?
- 4. We request that you add the Testimony and accompanying attachments from Roger Colton in DE 17-136 to your literature review.

Responses to ODC's Specific Questions (see page 3 of 7/9/18 ODC memo)

- 1. How can [ODC's] work benefit the efforts that this working group is doing? What added-value can [ODC] provide beyond what DNV-GL and the working group is already doing?
 - a. Responses:
 - i. ODC can keep the B/C Working Group informed of its work at every stage and create a mechanism for feedback and input along the way. This could include sharing documents and memos with enough time for questions/feedback and joint meetings of the EM&V and B/C Working Groups.
 - ii. This group has been discussing the addition of a separate adder to account for NEI's in the HEA Program. ODC could share any data, information, and/or expertise to aid in that discussion.

- 2. What additional resources should we include in our literature review? Are there any studies that the working group feels are best-in-class examples of quantifying the following NEIs:
 - a. Participant Benefits:
 - i. Health
 - ii. Safety
 - iii. Property values
 - b. Utility:
 - i. Utility arrearages
 - ii. Debt write-offs
 - iii. Terminations/reconnections
 - c. Responses:
 - i. We request that you add the Testimony and accompanying attachments from Roger Colton in DE 17-136 to your literature review.
 - ii. The National Standard Practice Manual, Edition 1, Spring 2017 and references including:
 - 1. Several articles by Skumatz Economic Research Associates (SERA), especially
 - a. 2014. "Non-Energy Benefits/Non-Energy Impacts and Their Role & Values in Cost-Effectiveness Tests: State of Maryland." L. Skumatz. Prepared for Natural Resources Defense Council. March, 31. http://energyefficiencyforall.org/sites/default/files/2014_%20NEBs%20report%20for%20Maryland.pdf; and
 - b. 2016. "Non-Energy Benefits / NEBs Winning at Cost-Effectiveness Dominos: State Progress and TRMs." L. Skumatz. 2016 American Council for and Energy-Efficient Economy Summer Study on Energy Efficiency in Buildings.
 - iii. Our understanding is that Synapse, ACEE and perhaps VEIC are currently working on studies related to NEI's. Synapse is due to release its report in early August 2018 and ACEEE is due to release its report in October 2018. To the extent possible, it would be helpful to incorporate these studies/reports or at least discuss their value to ODC's work in any final product even if they were not released in time to be fully incorporated into the final report.
- 3. Are there any further participant or utility NEIs that this working group would like to see from our study, beyond those listed above?
 - a. Suggestions for additional participant impacts:
 - i. Reduced arrearages, disconnections and reconnections
 - ii. Reduced energy burdens, such as reductions in the use of short-term, high interest loans, and the improved ability to pay other bills and/or meet other basic needs
 - iii. Reduction in need for assistance programs such as EAP, RLIAP (gas discount program), and FAP

- iv. Reduced costs associated with fewer foreclosures and fewer moves
- v. Employment outcomes, such as a reduction in the number of lost work days due to reduced worker and child illnesses?
- vi. Education outcomes, education, such as a reduction in lost days of school due to illness?
- vii. Does increased property value also include reduced home maintenance costs and reduced insurance costs?
- b. Suggestions for additional health and safety impacts:
 - i. Air quality and asthma
 - ii. Comfort
 - iii. Reduction in cold and heat related thermal stress
 - iv. Reduction in moisture and mold
 - v. Noise reduction
 - vi. Reduced hospitalizations
 - vii. Avoided deaths
 - viii. Fewer fires?
- 4. How can we best gain the working group's input as part of our planning process throughout July? Specific resources we should consult? Specific people we should speak with?
 - a. See response to question 1 about sharing information, such as memos throughout the process. We have also discussed the possibility of having joint EM&V and B/C Work Group meetings.
- 5. Does the working group have any questions for us at this time?
 - a. See general questions above