

*VEIC Study Review Committee*  
**Chapter 1 Section 1.8**  
**Review**

**Livingston Room**  
**NH Public Utilities Commission**  
**21 Fruit St Concord NH**  
**Friday, March 9, 2012**  
**1 p.m. – 3 p.m.**

## **1.8.1 - Clear policy direction articulated in legislation**

Clear policy direction articulated in legislation and supported by specific goals, clear regulatory guidance for the appropriate ways to meet the goals, and appropriate incentives for achieving the performance and results desired.

# 1.8.1 - Clear policy direction articulated in legislation

Comments:

## 1.8.2 - A single, trusted source of information

A single, trusted source of information with a common portal to program offerings.

Comments:

## **1.8.3 - High levels of coordination among service offerings**

If the goal is to institutionalize market development, then market actors, suppliers, implementers, and customers need a common set of program features. Those features must change in response to market conditions and opportunities, and the changes should be clear and uniform. Coordinated offerings work most effectively.

## **1.8.3 - High levels of coordination among service offerings**

Comments:



## **1.8.4 - An emphasis on creating and expanding the market infrastructure**

An emphasis on creating and expanding the market infrastructure. Programs should focus on creating new business opportunities for key market actors including contractors, installers, designers, and vendors. Often training and certification help create, differentiate, and grow new businesses for these market actors.

## 1.8.4 - An emphasis on creating and expanding the market infrastructure

Comments:



## **1.8.5 - Market development (not simply resource acquisition) is rewarded**

While not appropriate to reward utilities for savings they had no part in securing, utilities should be allowed to claim some benefit for work they do that helps to develop markets, and helps to promote and support high-efficiency codes and standards. Utilities should not be penalized for success such that their ongoing work to accomplish the next market transformation is jeopardized.

# 1.8.5 - Market development (not simply resource acquisition) is rewarded

Comments:



## **1.8.6 - Sustained commitment to meeting goals and willingness to increase goals over time**

It is a common failure of program design that energy efficiency targets, sustainable energy goals, and implementation budgets are arbitrarily limited, and that the focus becomes on spending available funds without an overall strategy for developing the market. A common feature of programs that are not market-development-focused is that they tend to only manage to goals.

## **1.8.6 - Sustained commitment to meeting goals and willingness to increase goals over time**

Comments:



## **1.8.7 - A regulatory process that removes disincentives for energy efficiency investments and rewards strong performance**

The system should be carefully designed to ensure that consumers retain most of the benefit of the investment and that implementing entities are held to strict performance levels and are rewarded appropriately for meeting strong goals.



# **1.8.7 - A regulatory process that removes disincentives for energy efficiency investments and rewards strong performance**

Comments:



## **1.8.8 - An ongoing system of independent evaluation, measurement, and verification (EM&V) conducted**

An amount in the range of 3-7% of energy efficiency program budgets should be dedicated to evaluation, monitoring, and verification. EM&V should be conducted by a third party evaluator independent of the implementing entity. The EM&V should assess how well the market is understood as well as assess program effectiveness. Outcomes of EM&V should feed back into program design and future programs.

# 1.8.8 - An ongoing system of independent evaluation, measurement, and verification (EM&V) conducted

Comments:



## **1.8.9 - A focus on performance combined with implementation flexibility for achieving performance goals**

Performance goals should allow for ramp-up and innovation over at least a two-year period with a clear feedback loop between EM&V and continuous program improvement. Performance incentives should be designed to reward innovation and responsiveness to shifting markets, and rather than the status quo. Implementers should be able to change strategy and incentives and make special offers as long as they are held to demanding savings goals.

# 1.8.9 - A focus on performance combined with implementation flexibility for achieving performance goals

Comments:



## **1.8.10 - An understanding of the importance of long term planning and for doing the planning through a collaborative process in a non-adjudicative setting**

Programs should be designed and planned for a minimum of two years. Program design and planning should be done using a collaborative process in a non-adjudicative setting with the involvement of an independent, third party who has the expertise and resources to help ensure that both consumer and utility interests are aligned before program plans and budgets are submitted to regulators.

## **1.8.10 - An understanding of the importance of long term planning and for doing the planning through a collaborative process in a non-adjudicative setting**

Comments:

A decorative graphic consisting of several sets of concentric circles, resembling ripples in water, located in the bottom right corner of the slide. The circles are light blue and vary in size and opacity, creating a subtle background pattern.