

Energy Efficiency: Joint Program Administrators' Proposed Business Plan Metric Framework

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Introduction

The proposed business plan metric framework represents the collaborative effort among all Program Administrators (PAs) to develop sector-level metrics as part of the upcoming PA energy efficiency business plans. The PA's proposed framework relies on a set of guiding principles recognizing the need to be compliant with all related Commission directives as well as applying lessons learned from developing and implementing past program metrics. The proposal also leverages the framework from earlier ED/IOU metrics development efforts, including Resolution E-4385.

Summary

The PAs proposed metric framework is in response to Commission's directive to have the PAs propose both portfolio-level and sector-level metrics as part of the upcoming EE business plans. Included in this proposal is a draft set of sector-level metrics that support the corresponding desired market effects. In order to clearly link the desired market effects to program intervention strategies, the sample includes strategy-level metrics (see, Tab C in the sample workbook). The PAs plan to provide greater detail on these strategy-level metrics as part of their implementation plan submission to the Commission.

Framework Overview

The metric framework proposal draws a clear linkage between sector activities, desired market effects, sector goals and vision. The framework shows that the sector metrics are tracking to the achievement of the stated desired market effects presented in the business plan. In turn, the desired market effects are supporting the sector-level goals, both near-term, mid-term and long-term, thereby supporting the sector vision.

Linkage Between Problem Statements And Sector Metrics

Early in the EE business planning process, PAs identified problem statements and perceived market barriers. These barriers were presented to stakeholders for their input as part of the CAEECC process. These problem statements form the basis of the desired outcomes or market effects. As part of the current planning process, market (program) interventions are being developed to overcome perceived market barriers to realizing the desired outcome(s). To gauge progress, sector-level metrics allow the PAs to clearly monitor progress towards the achievement of the sector targets and, more importantly, to see how the target achievement is contributing to the identified desired market effect.

Metrics To Targets

Sector-level metrics track towards sector-level targets that rely on readily available program data to actively monitor metric achievement. The metric targets span short, mid and long-term timeframes. This allows PAs to actively monitor and report to the CPUC progress towards target achievement.

Sector-Metric Sample Workbook

The attached workbook includes an example of sector-metrics and corresponding targets (see, Tab C). Included in the sample are various tabs that help to define key terms and provide explanation to the specific market barriers and market (program) intervention strategies contained within the sample (see, Tabs G, C, and F respectively). (note - The corresponding descriptions are illustrative to assist in the review of the example framework and should not be construed as how the PAs will define and represent the terms in upcoming business plans).

Tab A contains guiding principles for developing metrics, drawing from lessons learned during the development of the 2010 PPM and 2011 MTI, and specific direction from recent Commission Decisions. Also, the ED Framework of Indicators is used to illustrate the linkage between sector and program intervention strategies to show the relationship between business plan sector-metrics and the program and strategy-metrics that will be presented as part of the implementation plans (see, Tab H). Finally, for illustrative purposes, a portfolio-level metric framework, as directed by the Commission, is included in Tab B.