Savings Attribution Sub-WG Call (9/9/20)

There were approximately a dozen MTWG members and several guests on the call.

# RA and MTI Savings Proposal

The Sub-WG agreed to have Margie present as a reasonable approach at the next MTWG her recommendations on attributing savings between RA programs and MTAs (adapted from the Illinois approach presented at the previous MTWG meeting). There are still a few details for the MTWG to figure out w/respect to this approach, identified in Margie’s slides.

# C&S and MTIs in CA Options

Here are options expressed at the 9/9/2020 sub-working group call on savings, plus some developed from noodling after the meeting. Please bring your edits/additions—and most importantly your preferred option (and why)! These can serve as a beginning point for our next conversation. *Also come to the meeting with ideas on criteria that can be used for selecting an option (see below)*

Splitting Savings Ideas

1. **Evaluate after C&S adoption:** Add a task to the current C&S evaluation so that the split to the MTA would also be assessed in addition to existing work. This would likely be done through the “attribution” methodology already in the C&S evaluation, which works with experts to account for the C&S program’s effect on code/standard adoption. Split of savings would be unknown until the evaluation is final.
2. **Wait and See:** Don’t worry about overlap now and if we find significant overlap between MTIs and C&S 3-4 years in the future, figure out how to address it then.
3. **Split (and Done)**: Adopt one of the A-E options below and use it until further notice.
4. **Split (and Evaluate)**: Decide on a split for the first 6-10[[1]](#footnote-1) years of the MTA’s existence (see A-E as possible calculation options for a “simplified split”); Evaluate (per #1) at the end of that time period so more information about how the split is working can be developed; Then see if a change is needed going forward.
5. **Parties Agree**: C&S and MT teams work together during development of MTIs and C&S work; Negotiate a reasonable solution based on the work that will be accomplished by each group specific to the measures/markets being pursued.
6. **Savings Split:** Forecast (incremental) savings for C&S efforts and MTI efforts specific to measures/markets being pursued – ratio becomes the split.
7. **Budget Split:** Share out savings based on relative budgets of C&S and MT over the years leading to adoption for the measures/markets being pursued.
8. **Fixed Percentage:** Assume a simplified percentage. Example: 50/50 for savings beyond those efforts in the current C&S budget cycle; 20/80 for those in the current C&S budget cycle.
9. **Fixed Multiplier (CPUC Decision) 3x**: If the MTI results in the adoption of a C&S, the savings credit afforded the MTI for the years following code adoption shall be equal to three times the savings claim made in the final year of MTI operations prior to the code or standard adoption.
10. **Other ideas?**

While not discussed at the meeting, these are ideas generated after the meeting that might help the group develop and select options.

# Possible “use cases”

* No overlap: savings don’t need to be shared out
	+ Technologies that aren’t yet in the C&S framework and become an MTI[[2]](#footnote-2)
	+ Technologies that are not included in any MTI initiative (no MT credit)
* Some overlap: savings need to be shared out
	+ Example: C&S is working on getting 20 SEER for HVAC adopted into code. MTI starts working with labs/developer/manufacturers on 24 SEER that eventually needs to be adopted into code.
* Other use cases examples that might be helpful?

Possible criteria

* Simple enough
* Helps guide good investments for the MTA and C&S portfolio
* Enhances cooperation between the MTA and C&S portfolio administrators
* Other criteria???
1. 6-10 years is a guess at how much time will elapse for: the MTA to implement C&S support work, the work getting accomplished, the C&S being adopted, and evaluations becoming final. [↑](#footnote-ref-1)
2. Although it seems likely that eventual advocacy for any C&S would funnel through the C&S team, even if all the activities before that were under the MTA – so if this were the case it would still require some sort of split. [↑](#footnote-ref-2)