



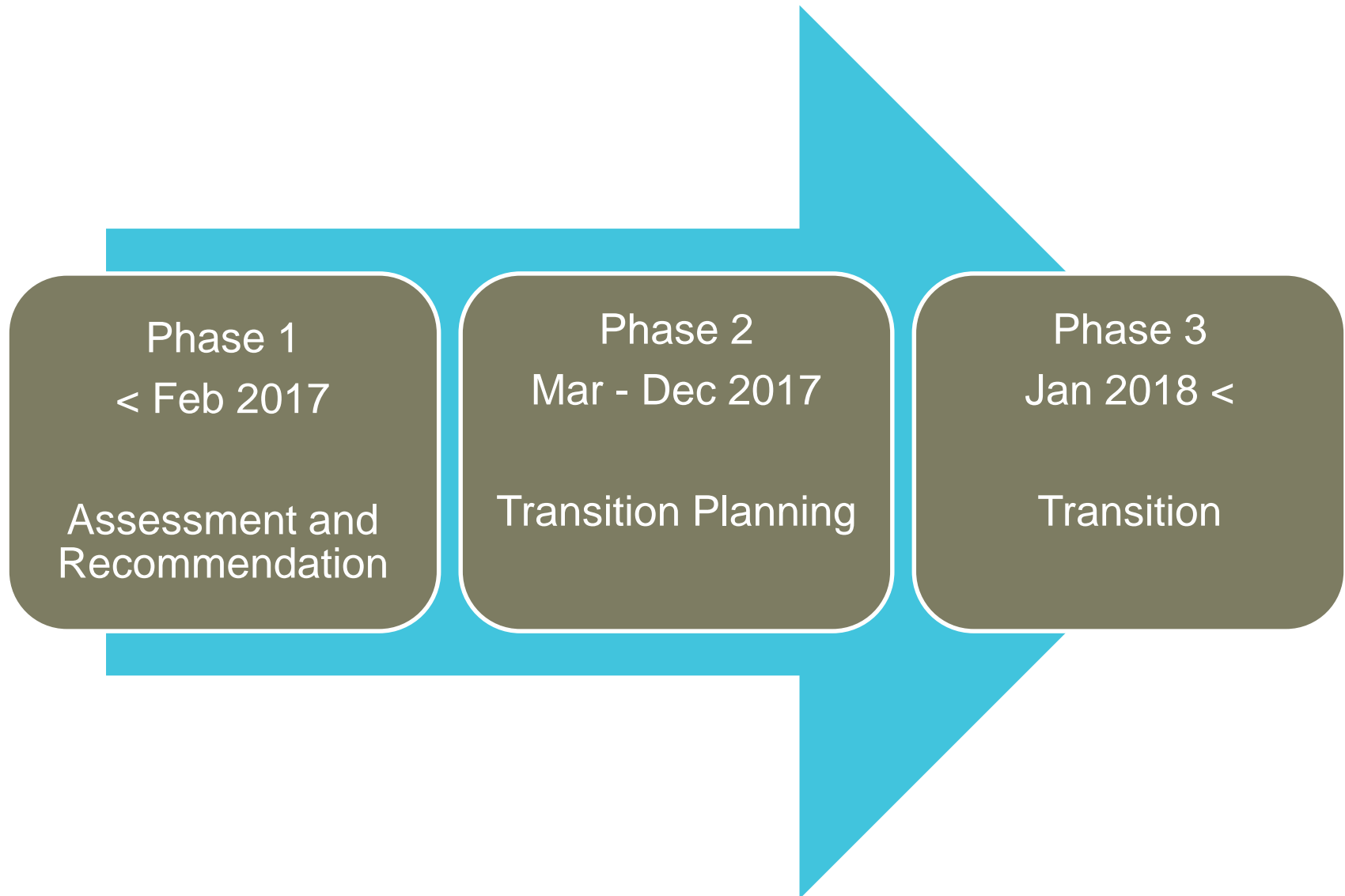
Residential Program Delivery Structure Proposal

January 10, 2017

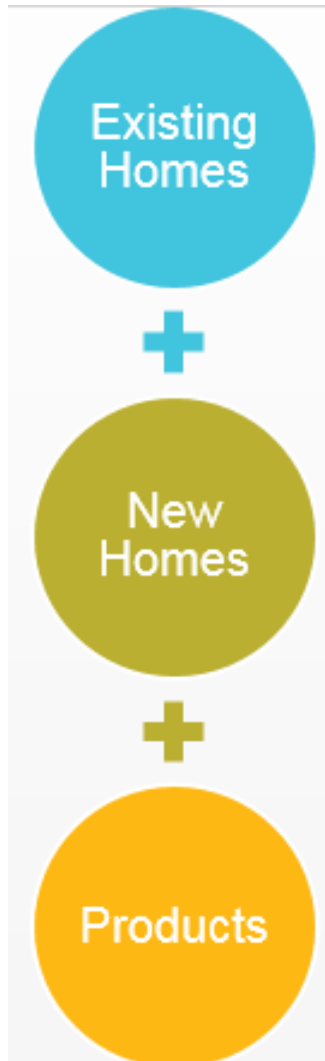
Agenda

- 9:00 Introductions and project overview
- 9:10 Proposed program structure
- 9:40 Feedback and discussion
- 10:20 Next steps

Project Phases and Timeline

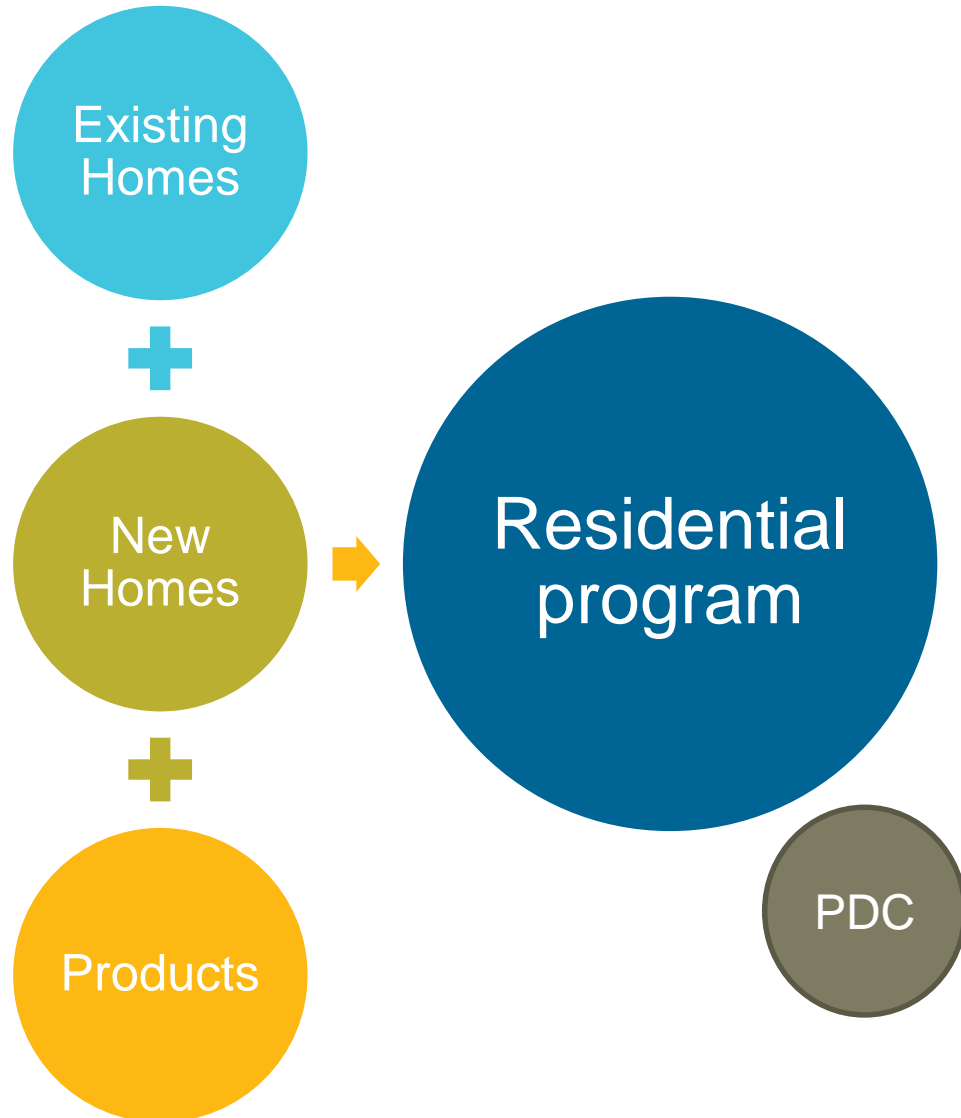


Residential Program Delivery Structure



- Serves homeowners and renters
- Through trade allies, direct installation, midstream incentives
- One Program Management Contractor contract
- Serves homebuyers
- Through builders, influence on building codes
- One PMC contract
- Serves retail customers
- Discounted products available in stores
- One PMC contract

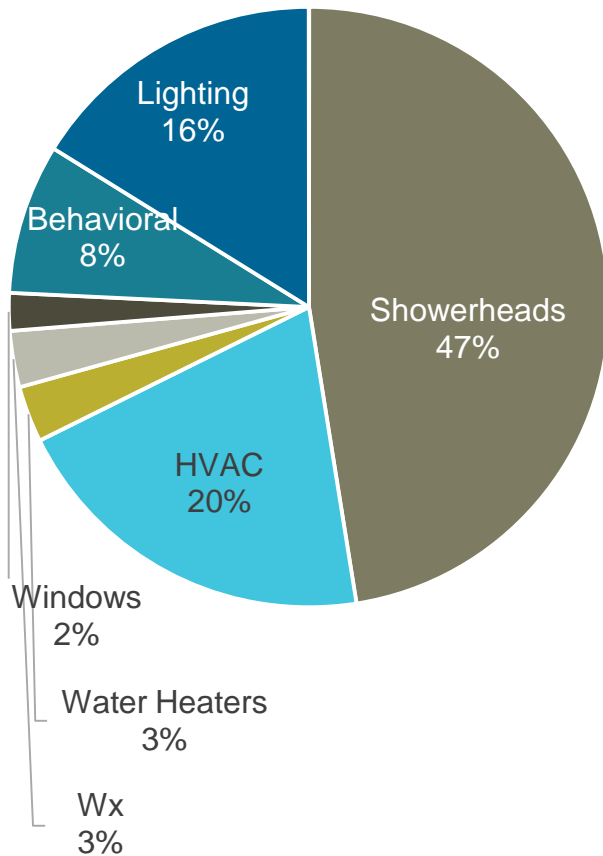
Residential Delivery Structure Proposal



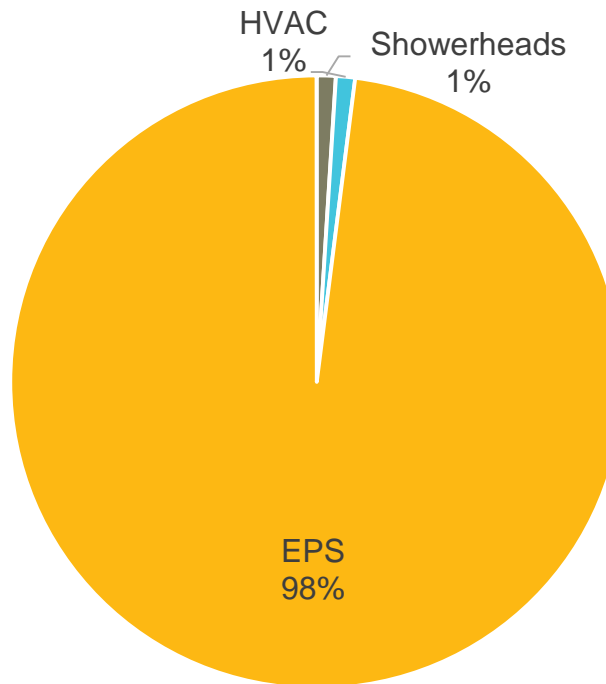
- One program
- One Program Management Contractor contract
- Target technologies across all market channels
- Structure changes will not impact current offerings
- Structure changes will not impact customer and trade ally experience

Current Electric Savings, by Program

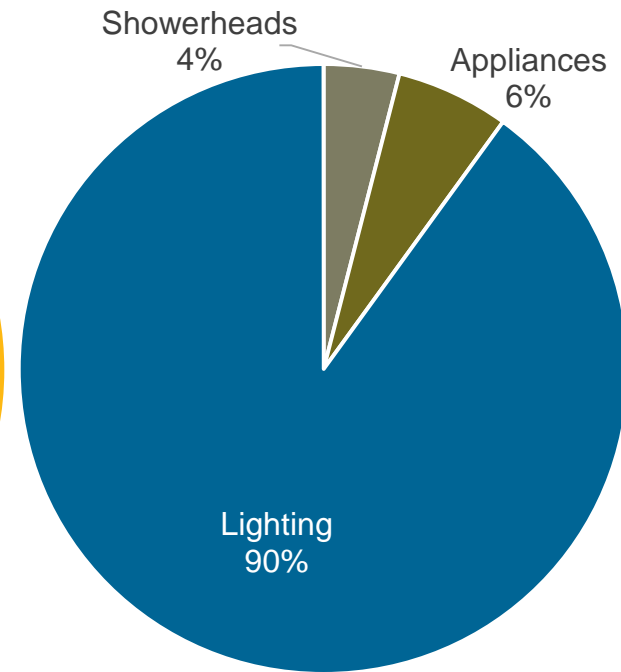
Existing Homes



New Homes

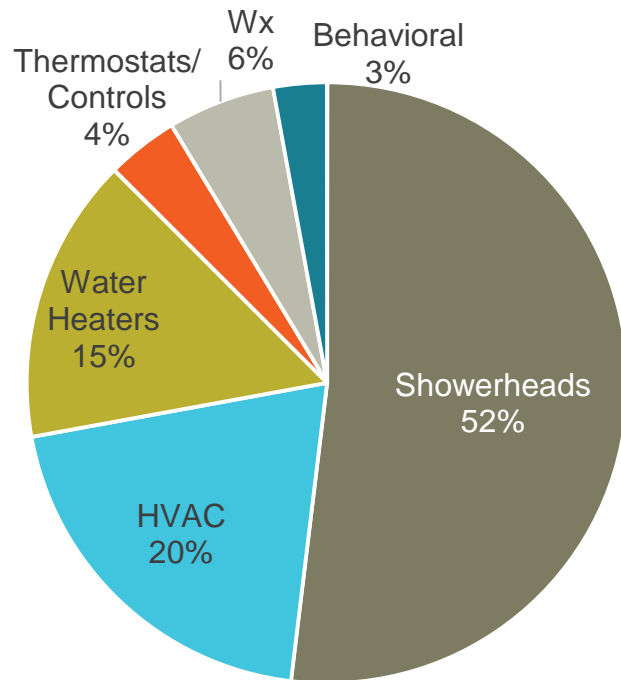


Products

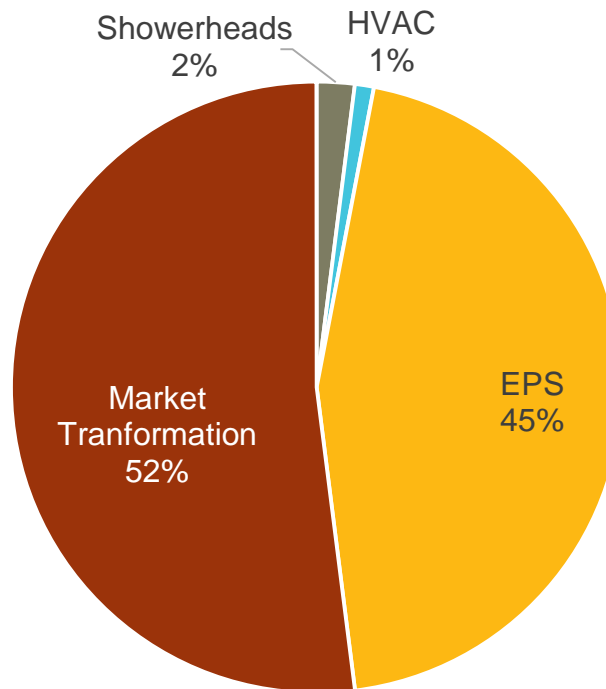


Current Gas Savings, by Program

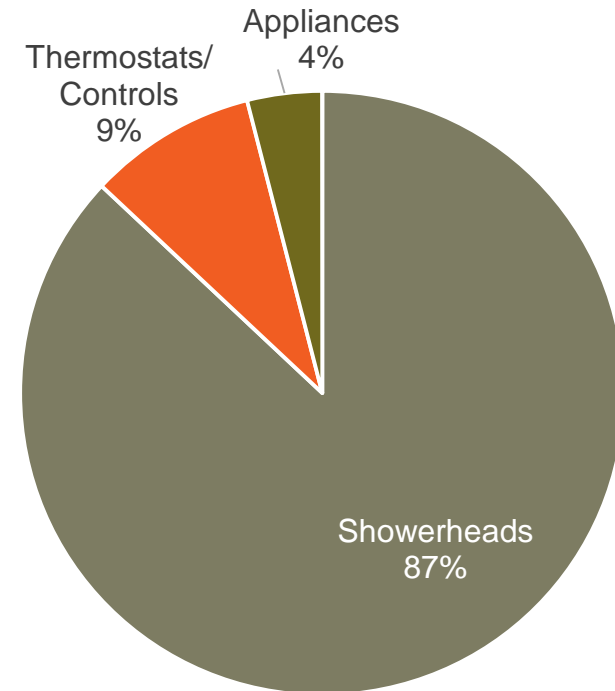
Existing Homes



New Homes



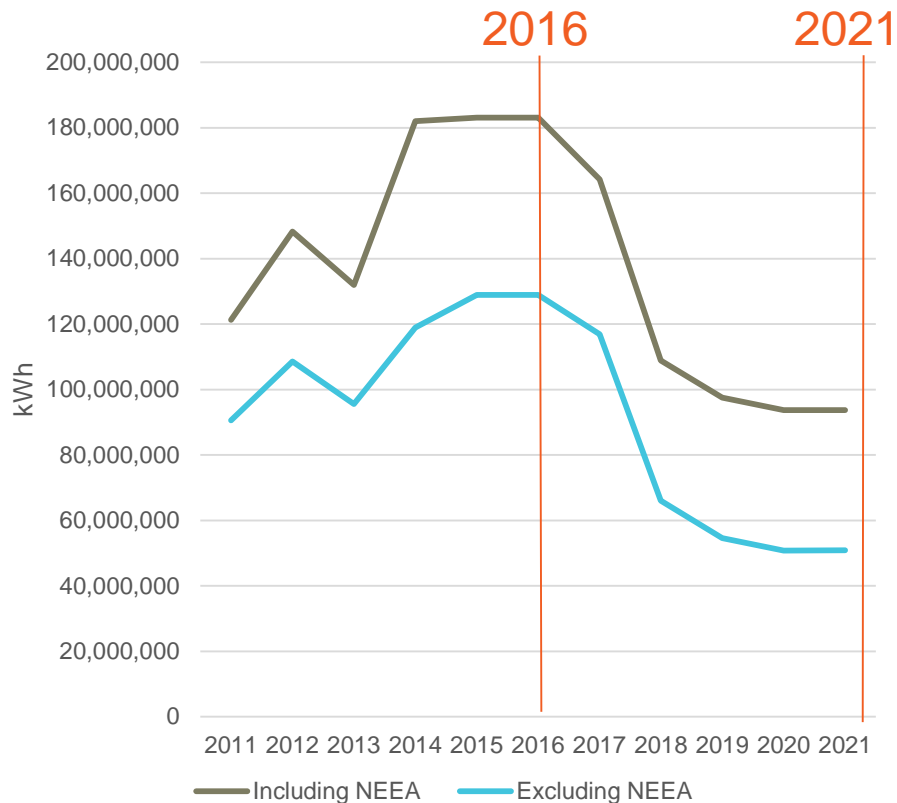
Products



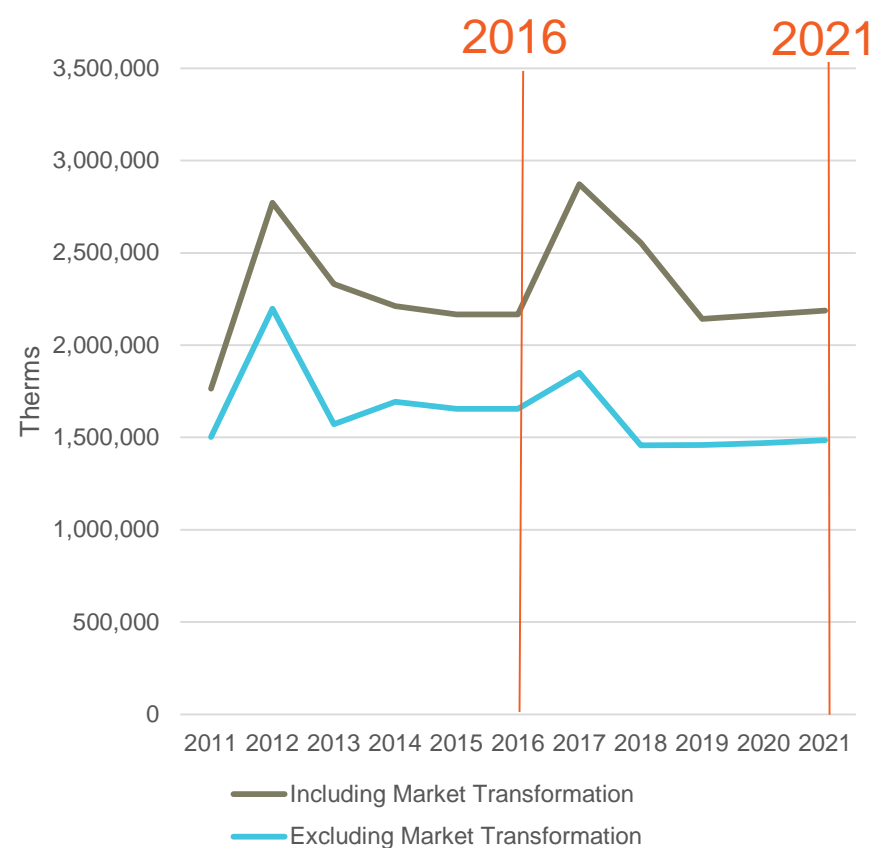
Savings Forecasts through 2021

Significant declines for lighting, showerheads

Electric,  60%

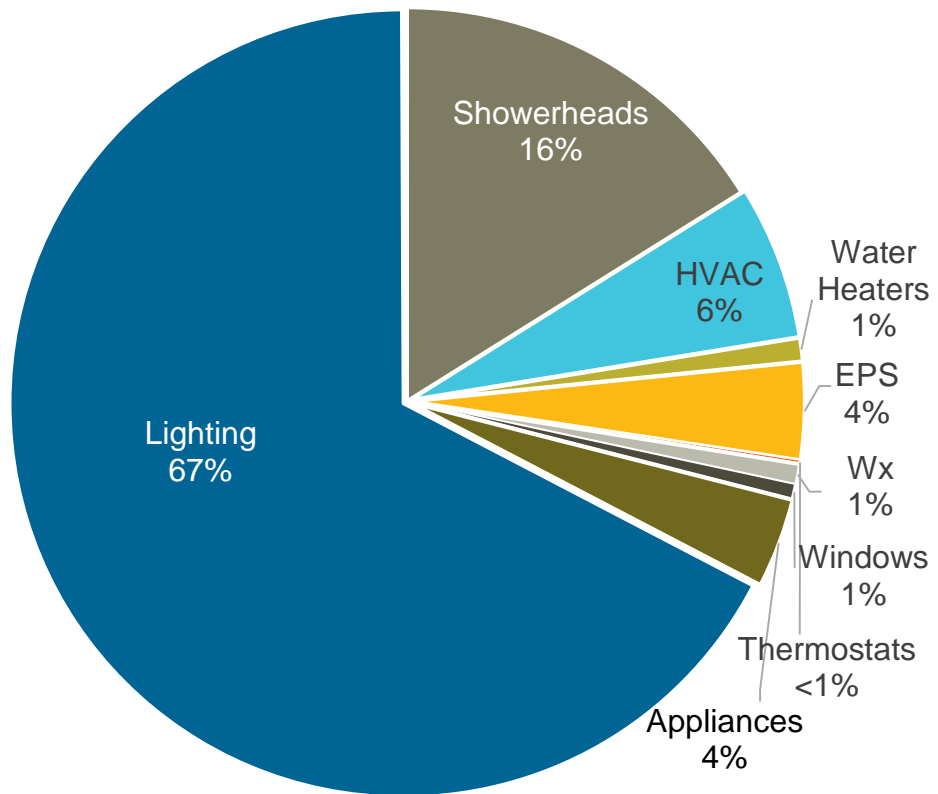


Gas,  10%

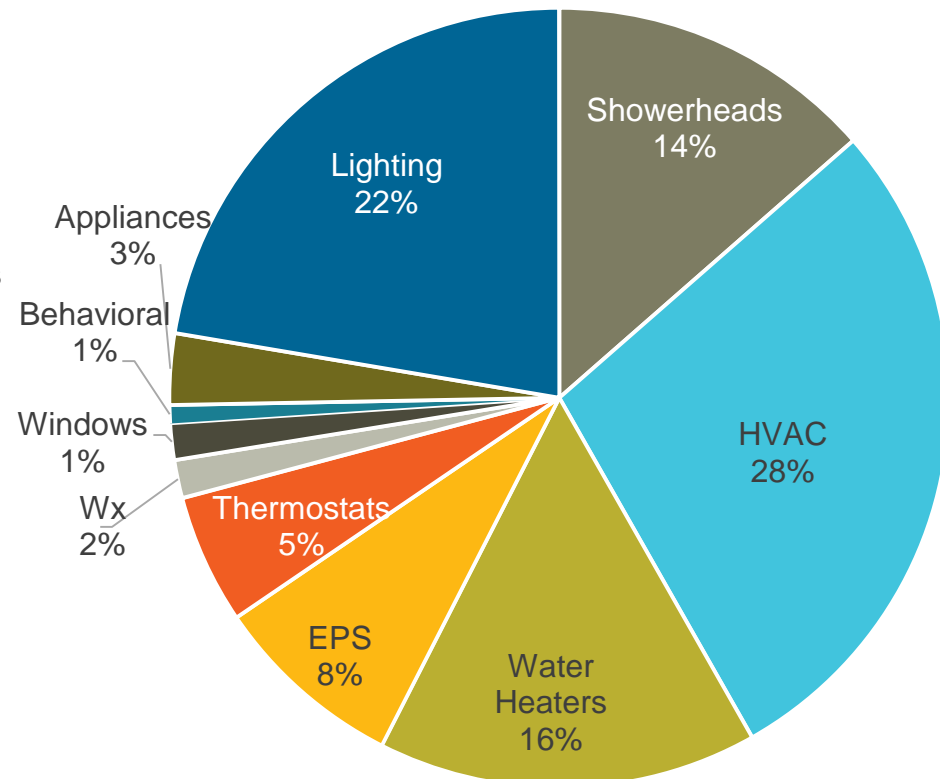


Sector Savings Forecast, Electric (excluding NEEA)

Electric Savings, 2016

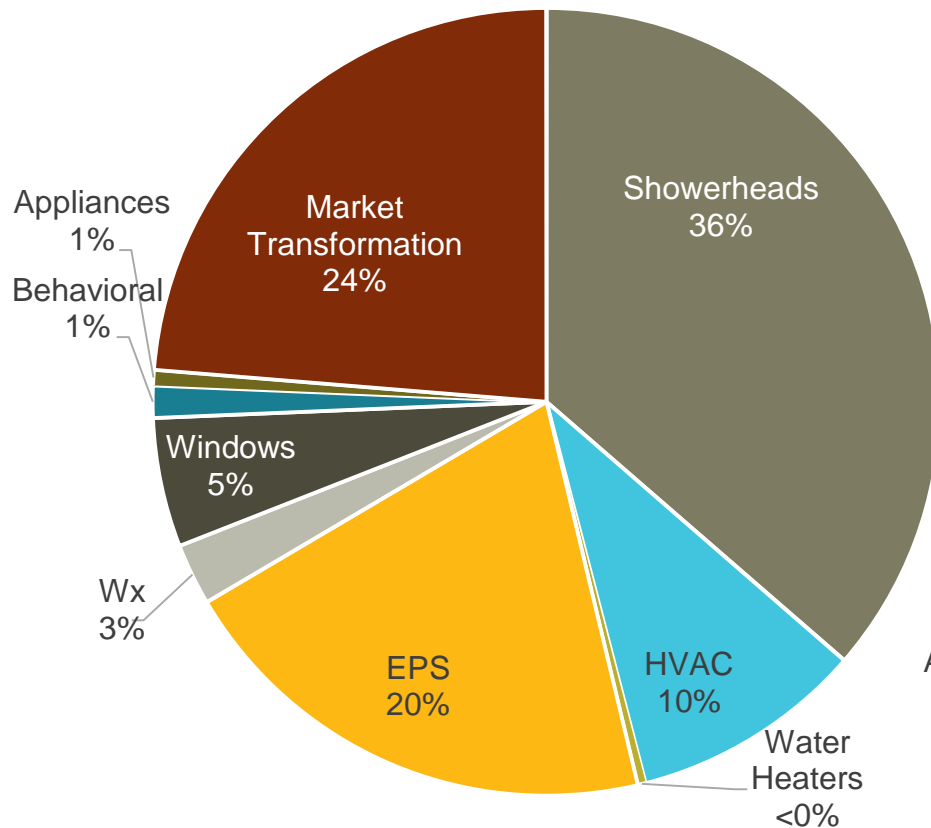


Electric Savings Forecast, 2021

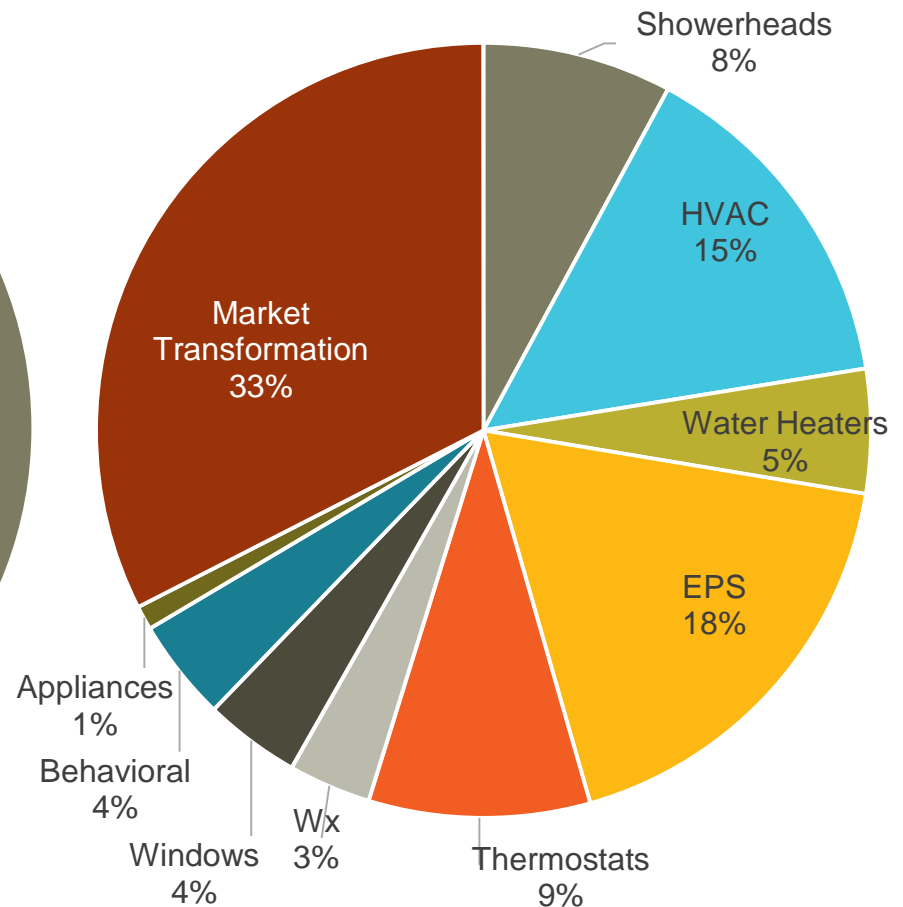


Forecast Savings by Measure, Gas (including market transformation)

Gas Savings, 2016



Gas Savings Forecast, 2021



Impact of Savings Declines on Current Program Structure

Electric Utility Cost Test BCR Forecast

	2017	2018	2019	2020	2021
Existing Homes	2.44	2.39	2.39	2.38	2.36
Products	3.29	1.72	1.30	1.14	1.14
New Homes	0.81	0.74	0.74	0.74	0.74
Total Residential	2.47	1.74	1.60	1.55	1.55

Gas Utility Cost Test BCR Forecast

	2017	2018	2019	2020	2021
Existing Homes	1.04	0.94	0.94	0.95	0.96
Products	1.84	0.96	0.94	0.93	0.92
New Homes	1.50	3.42	2.48	2.51	2.52
Total Residential	1.26	1.83	1.50	1.52	1.53

Challenges of Maintaining Program Structure

- Strategies implemented at program level
- Program management, delivery activities sustained across programs
- Market channels drive technology strategies
- New measure development challenging



Online Retail



Builders

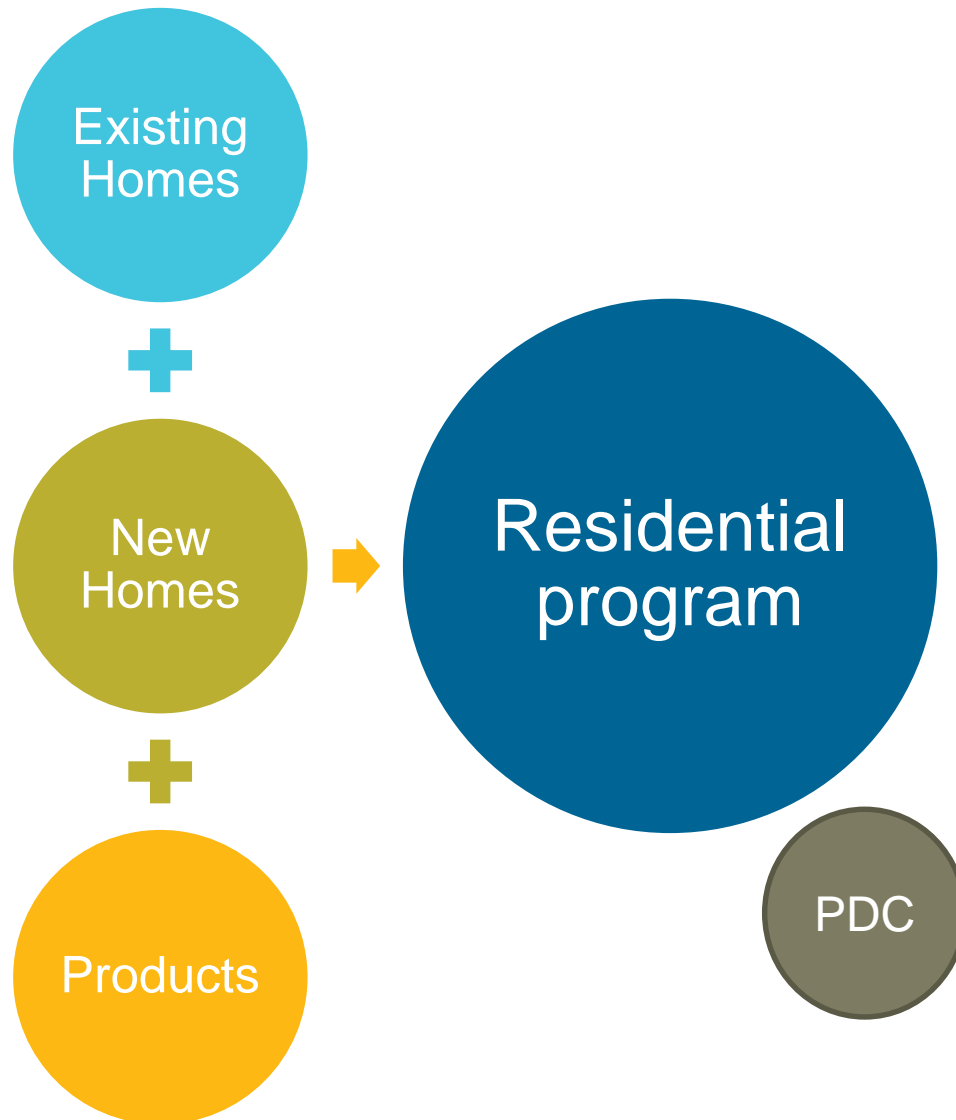


Retail Stores

Cost Reduction, Delivery Strategies Implemented to Date

- Cost reductions
- Streamlined processes
- Developed new measures across programs

Residential Delivery Structure Proposal



- One program
- One PMC contract
- Target technologies across all market channels
- Structure changes will not impact current offerings
- Structure changes will not impact customer and trade ally experience
- PDCs add flexibility

Structure Changes Will Not Impact Customers, Trade Allies

- Program structure will remain invisible to customers, trade allies
- Continue to provide incentives, resources for all residential customers
- Continue to rely on trade allies to engage customers
- Continue to support trade allies with incentives, training, business development funds

Feedback?

Feedback welcome by Friday, January 20

Contact Thad Roth

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thad.roth@energytrust.org

Next Steps

< Feb
2017

Assessment and Recommendation

- ✓ May 2016 board retreat
- ✓ July 2016 CAC meeting
- ✓ Oct 2016 utility meetings
- ✓ Nov 2016 board meeting
- ✓ Nov 2016 CAC meeting
- ✓ Dec 2016 board meeting
- ✓ Dec 2016 OPUC meeting
- ✓ Dec 2016 Management Team recommendation
- ✓ Jan 2017 CAC workshop
- ☐ Jan 2017 board policy committee
- ☐ Feb 2017 board meeting recommendation

Mar – Dec
2017

Transition Planning

Jan
2018 +

Transition

Backup slides

Concentration of Savings

Savings concentrated in few measures



Lighting



Showerheads

Savings concentrated within programs



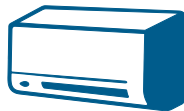
Products—lighting



New Homes—EPS

Savings concentrated within energy source

- Electric relies on
- Water heating
- HVAC
- Lighting



Gas relies on
Water heating
HVAC
EPS



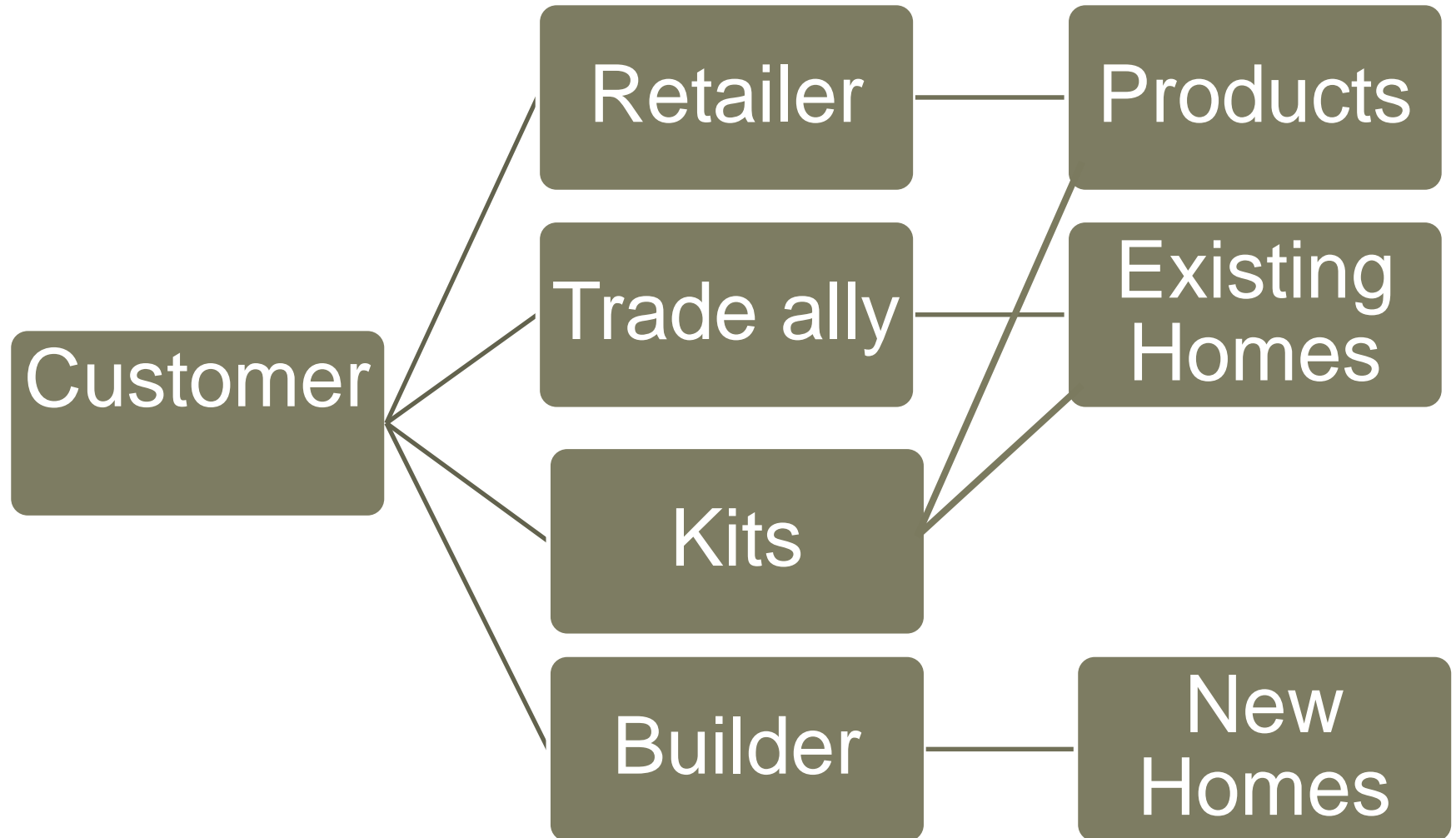
Sector Savings Forecast, Electric

Measure Category	2017	2018	2019	2020	2021	2021
Water heating	5,495,575	6,450,493	6,924,199	7,402,202	7,884,015	16%
Showerheads	19,877,735	9,498,993	8,518,406	7,625,454	6,798,575	13%
Heating, Ventilation and Cooling	11,592,043	12,263,008	12,927,581	13,568,522	14,150,328	28%
Lighting	67,177,746	26,124,679	14,928,388	11,196,291	11,196,291	22%
New Construction or Major Renovation	4,099,826	4,000,316	4,000,316	4,000,316	4,000,316	8%
Thermostats/Controls	2,601,767	2,622,026	2,643,488	2,666,258	2,690,451	5%
Shell Measures	2,865,593	1,929,688	1,768,449	1,642,838	1,547,022	3%
Appliances	2,139,990	2,106,277	1,861,360	1,630,845	1,483,941	3%
Kits	711,671	711,671	711,671	711,671	711,671	1%
Behavioral	259,200	285,120	313,632	344,995	379,495	1%
Industrial Process	20,785	19,746	18,759	17,821	16,930	0%
	116,841,930	66,012,016	54,616,250	50,807,213	50,859,033	100%

Sector Savings Forecast, Gas

Measure Category	2017	2018	2019	2020	2021	
New Construction and Market Transformation	1,407,371	1,475,337	1,063,909	1,079,722	1,091,117	50%
Heating, Ventilation and Cooling	248,213	263,035	200,047	296,098	314,767	14%
Hot Water	616,387	327,120	310,239	295,622	282,616	13%
Thermostats/Controls	177,776	182,887	188,255	193,901	199,849	9%
Building Shell	301,957	183,074	173,640	166,396	160,886	7%
Behavioral	62,640	68,904	75,794	83,374	91,711	4%
Kits	25,049	25,049	25,049	25,049	25,049	1%
Appliances	33,308	29,978	26,980	24,282	21,854	1%
Total	2,872,701	2,555,384	2,063,912	2,164,444	2,187,848	100%

Residential Sector Structure, Before



Residential Sector Structure, After

