

4.22.000-P Program Approval Process

History			
Source	Date	Action/Notes	Next Review Date
Board Decision	February 16, 2005	Approved (R319)	February 2008
Policy Committee	April 15, 2008	No changes	April 2011
Board Decision	December 19, 2008	Amended (R498)	December 2011
Board Decision	March 7, 2012	Amended (R620)	March 2014
Board Decision	September 19, 2012	Amended (R646)	September 2015
Board Decision	September 30, 2015	Amended (R753)	September 2018
Board Decision	February 22, 2017	Amended (R791)	February 2020

Purpose:

1. Initially, the Board approved programs in resolutions that specified projected energy savings and cost/aMW and estimated budget allocations for such items as incentives, marketing, administration and evaluation. Specific terms of program management were addressed in separate resolutions authorizing program management contracts.
2. Experience demonstrated that if staff and contractors adhered to the original terms and conditions identified in Board resolutions authorizing programs, the programs lost momentum while staff sought approval to change program parameters.
3. In 2005, the Board revised this process to make it more efficient.

Policy:

1. All programs shall:
 - a. Operate under a not-to-exceed budget cap established by the Board in the annual budget approval process or by special resolution; staff is authorized to manage the program within this budget until the next annual budget review; staff may move budgeted funds from one program to another within the same program sector (residential, commercial, industrial and renewable energy) without board approval.
 - b. Be managed to achieve annual board-approved goals.
2. The Board will continue to review and approve program contract terms consistent with the Board's Contract Execution and Oversight Policy.
3. Staff will provide the Board with quarterly status reports based on energy savings by program and sector (not individual contract). Reports would identify issues regarding program performance, such as:
 - a. a program's long-term cost-effectiveness is trending in a negative direction.
 - b. the program is not expected to achieve significant savings over its life.
 - c. a quarterly report shows that a program is trending below its goal, the Board may call for an action plan to address the short-fall.
4. Staff will provide an update to the board on any movement of funds from one program to another at the next board meeting following such movement.
5. The Board retains discretion to modify or discontinue a program if it is not meeting expectations.
6. The Board will use the budget and action plan process to review, modify and adjust program goals and budget caps.