

## SESSION 1C

### MEASURING NET TO GROSS: FACT, FICTION OR FANTASY... POLICY VS, PRACTICE

*Moderator: Nick Hall, TecMarket Works*

#### PAPERS:

##### **Freeridership Borscht: Don't Salt the Soup**

Dr. Ken Keating, Evaluation Consultant

##### **Freeridership: Arbitrary Algorithms vs. Consistent Calculations**

Jeff Erickson, Summit Blue Consulting

Valy Goepfich, Wisconsin Public Power

##### **Feasting at the Ultimate Enhanced Freeridership Salad Bar**

Dr. Lori Megdal, Megdal and Associates

Yogesh Patil, Energy & Resource Solutions

Cherie Gregoire and Jennifer Meissner, New York State Energy Research and Development Authority

Kathryn Parlin, West Hill Energy & Computing

##### **The Origins of the Misunderstood and occasionally Maligned Self-Report Approach to Estimating the Net-to-Gross Ratio**

Dr. Richard Ridge, Ridge and Associates

Phillipus Willems, PWP

Jennifer Fagan, Itron

Katherine Randazzo, KVD Research Consulting

#### SESSION SUMMARY:

This session attempts to shed light on the much debated and often misunderstood and misapplied self-report approach for setting net-to-gross (NTG) values for energy efficiency programs. This session will show that while self-report approaches are an evaluation standard practice, the results of poorly designed approaches can provide inaccurate results. The session also demonstrates that self-report approaches may be best viewed as an approach to be used in combination with other approaches, or used as the only approach within an environment where high levels of reliability are not needed. The session demonstrates that self-report approaches are a valued tool within the evaluation toolbox that if well applied, can provide valuable information at a reasonable level of accuracy, especially identifying programs that need to focus on net impact improvements.

Dr. Keating's paper will demonstrate how some of our field's most common methods for assessing NTG ratios have applied analysis approaches that compound embedded errors within the calculation algorithms. These approaches have tended to increase the uncertainty around the resulting ratio by multiply factors that impact the final ratio.

Mr. Erickson's paper will demonstrate the amount of variability that can occur in assessing NTG ratios when commonly applied changes to the analysis algorithms are made. This paper demonstrates that the evaluation contractor's selection of the calculation approach can significantly influence the resulting value.

A paper by Dr. Megdal will show how using only self-reports for assessing freeridership is similar to grabbing a quick lunch at McDonalds; it gets the job done, but the quality of the product, when not supplemented with other food (approaches) may not be what the consumer needs.

Dr. Ridge's paper will provide a contextual and historical framework around the use of self-report approaches. Dr. Ridge's paper will demonstrate that the use of self-report approaches is a standard practice across many evaluation fields particularly when precise measurements are not needed or not possible.