

All Together Now! How Collaboration Works in Arkansas



Katherine Johnson, Johnson Consulting Group, Frederick, MD
Matt Klucher, Arkansas Public Service Commission, Little Rock, AR

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Presentation Overview

- Quick History of Energy Efficiency
- Purpose of the PWC
- Roles and Responsibilities of the PWC Members
- Mechanics of the Decision-Making Process
- PWC Accomplishments
- Key Conclusions/Recommendations

Arkansas?

- Where is it?

Southern United States



53,000 sq. miles/
137,270 sq km.
3 million people

A little larger
than Greece



Arkansas is Known For



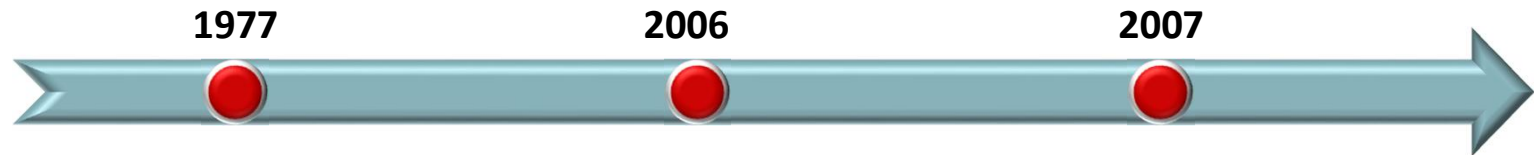
The world corporation and biggest private employer in the world- 2 million employees; world's largest retailer



And Energy Efficiency!

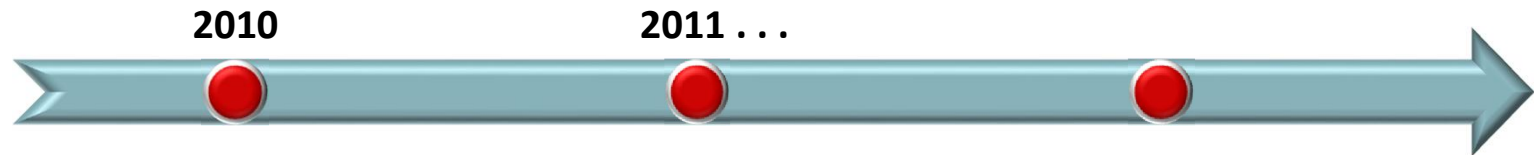
The Clintons

Quick History of Energy Efficiency in Arkansas



- 1977** Arkansas Attorney General Bill Clinton and the General Assembly passed the Energy Conservation Endorsement Act .
- 2006** APSC initiates work to establish a regulatory framework and rules for energy efficiency programs.
- 2007** Commission approved and adopted “*Rules for Conservation and Energy Efficiency Programs*” which directed the IOUs to design and implement energy efficiency programs in Arkansas which were launched later that year.

Quick History of Energy Efficiency in Arkansas



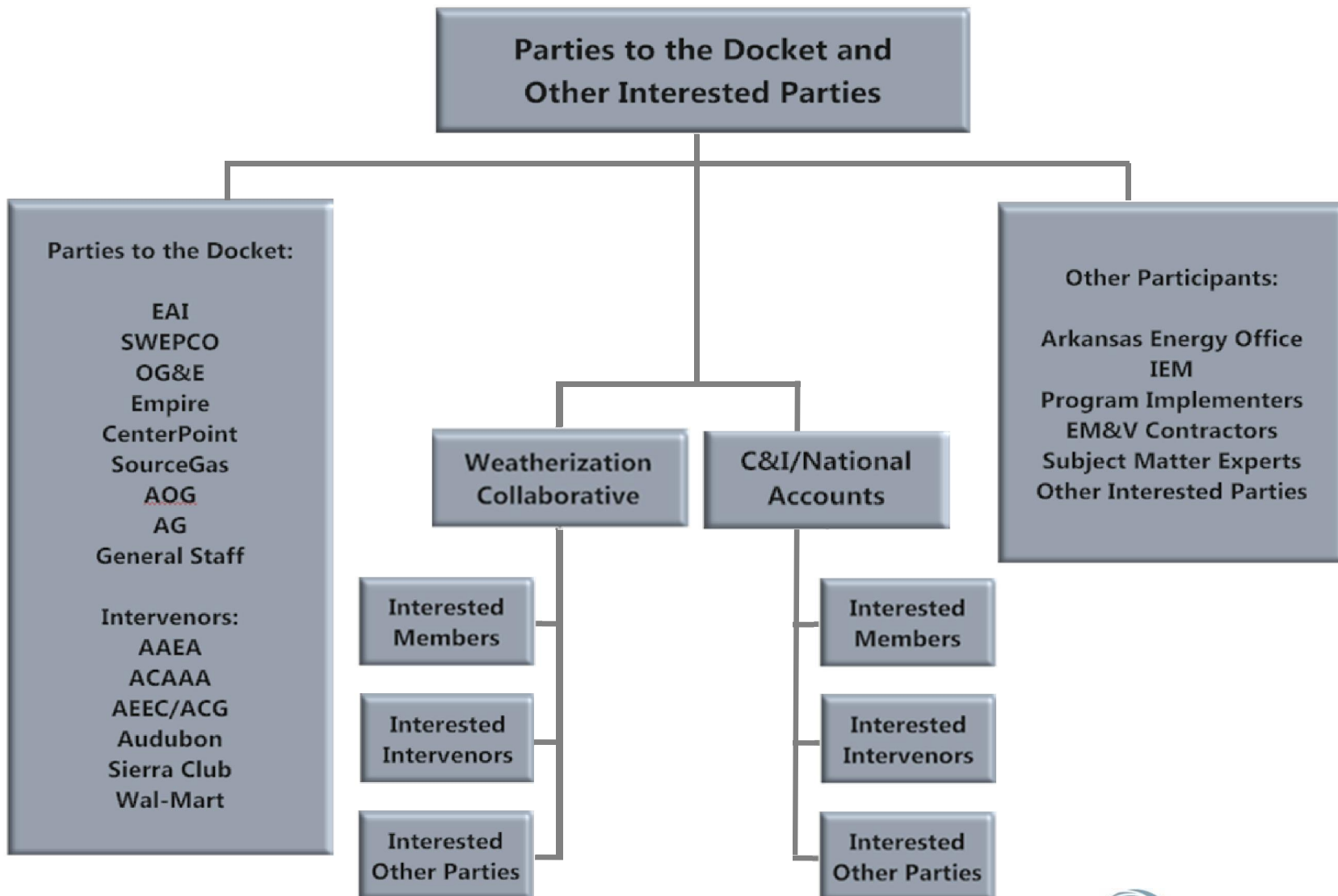
- 2010** Adopted an energy efficiency resource standard (EERS), guidelines for efficiency program cost recovery and a shareholder performance incentive, and new guidelines for utility resource planning.
- 2011** Established the need for EM&V, and the EM&V Advisor—later the Independent Evaluation Monitor (IEM).
- 2011** To the present time, conduct annual EM&V activities, update the TRM, and explore new and emerging energy efficiency issues.

Collaboration in Arkansas

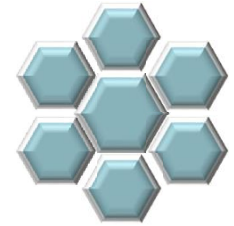
- Arkansas has made tremendous gains in just a few years.
- Now viewed as a major leader in energy efficiency in the Southeast
- These significant accomplishments are due to the hard work of the Parties Working Collaborative (PWC) established by the Arkansas Public Service Commission in 2006.
- The PWC members include the seven investor-owned gas and electric utilities, the Evaluation, Measurement & Verification (EM&V) contractors, program implementers, and intervenor groups.



Roles & Responsibilities



Roles and Responsibilities of the PWC Members



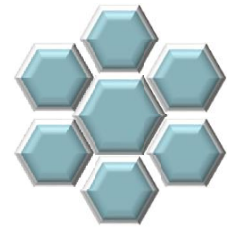
The PWC is composed of representatives from a variety of organizations including state organizations, electric and gas utilities, energy advocacy groups, and private consulting firms.

General Staff: State employees who work for the APSC.

Parties to Applicable EE Docket: Individuals from a variety of private and public entities including utility staff, employees from state organizations and advocacy groups.

Meeting Facilitator: Ensures that proposed activities of the PWC conform to industry “best practices” to the greatest extent practicable; provides guidance and insight regarding critical issues facing the PWC;

Roles and Responsibilities of the PWC Members



Program Administrators/Technical Experts/Advisors to the Parties:

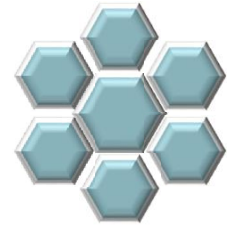
Technical experts employed directly by any PWC members; technical experts may provide expertise and input as appropriate to inform the PWC; provide timely feedback on materials; participate in formal discussions. Individuals include representatives from energy consulting and engineering firms.

EM&V Contractors (Technical Experts/Advisors to the Parties):

Consulting firm staff members hired by the electric and gas utilities to perform program evaluation.

Other Non-Party PWC Participants: May include representatives from a variety of other interested organizations, including technical colleges, and staff from Arkansas Energy Organization (AEO). These individuals attend PWC meetings, participate in meetings, and provide information to the Parties and PWC meeting participants (PWC Procedural Guidelines 2014, p. 5)

Expanded PWC Role



- In 2013, the PWC expanded its role from EM&V issues to also provide advice on energy efficiency policies including non-energy benefits and carbon pricing.
- Created the *Weatherization Collaborative* and *C&I/National Accounts Collaborative* to develop new program designs and recommended strategies to create a unified statewide approach.

Decision-Making Process Mechanics

- The PWC developed its decision-making process over time.
- The PWC strives to arrive at consensus decisions on issues in a collaborative manner.
 - However, consensus is not required.
- The procedural guidelines have a well-defined process in which minority parties may petition the Commission directly to appeal any decision agreed upon by the majority of the PWC members.

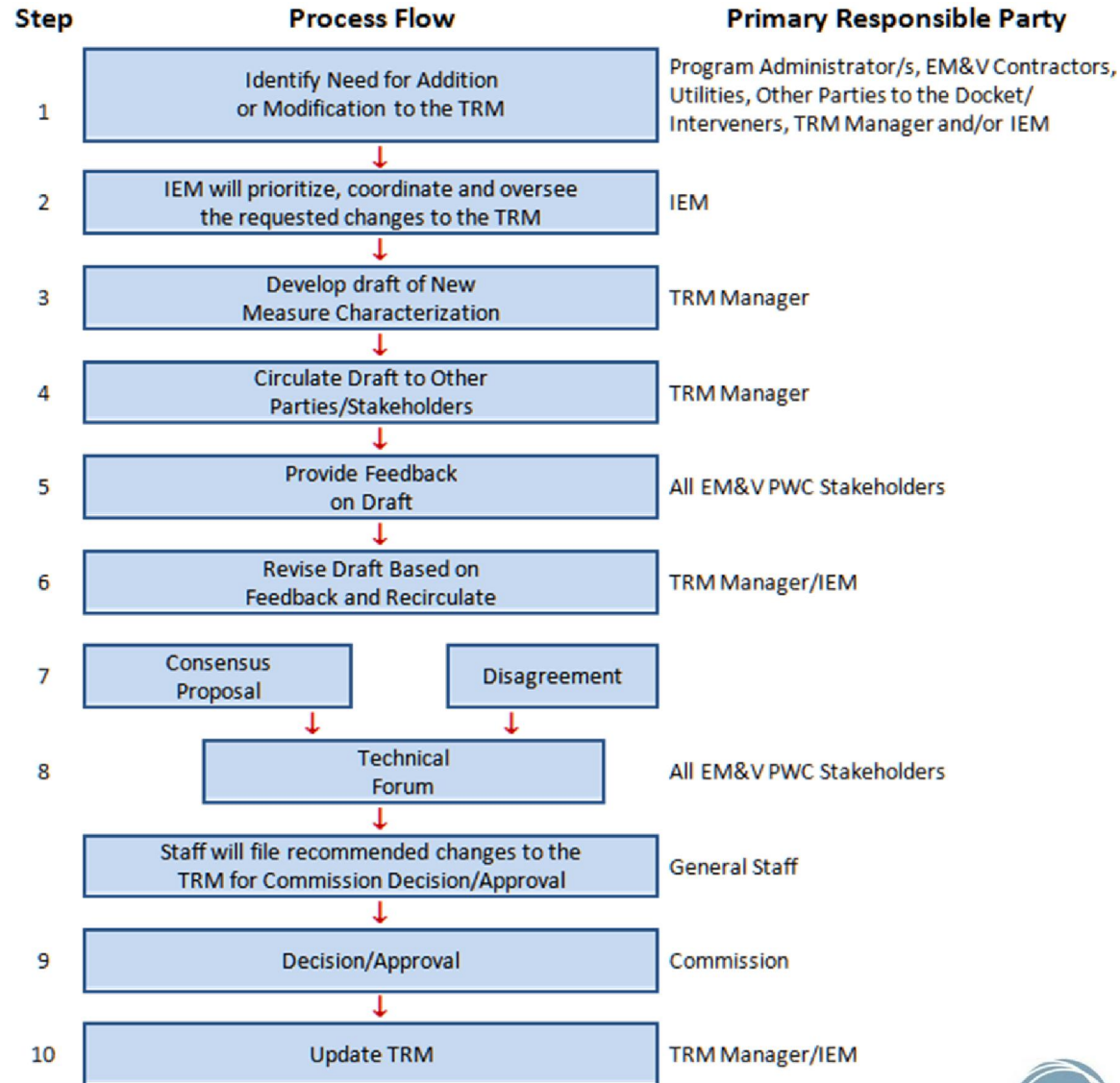


PWC Accomplishments

- Established EM&V Protocols as part of the TRM (in 2011 and updated annually).
- Provided annual EM&V Reports on current programs - which are summarized by the IEM.
- Address new topics including:
 - Developing a unified statewide program design for a weatherization program.
 - Working on a similar approach for C&I.
 - Developing carbon cost assumptions.
 - Quantifying Non-Energy Benefits (NEBs).
 - Preparing white papers/analyses on other topics such as industry standards and best practices.



TRM Annual Update Process



Lessons Learned from Arkansas

- Collaboration is sometimes messy- but very worthwhile.
- You can disagree without being disagreeable.
- Consensus decision-making can work if minority opinions are allowed.
- Rome was not built in a day; neither was the Arkansas PWC.



Questions



For More Information



Dr. Katherine Johnson, President

Phone: 301 461 4865

Email: kjohnson@johnsonconsults.com

Website: www.johnsonconsults.com