# Growing Pains: Lessons from the Edge of SEM Program Evaluation





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# The Edge

Multi-year Evaluation 2014 - 2017

# Background

# BPA's Industrial Energy Management (EM) Program

Began in 2010

Training and Technical Support, low/no cost O&M Efficiencies

Works closely with facilities, collecting data

Program savings estimates MT&R guidelines

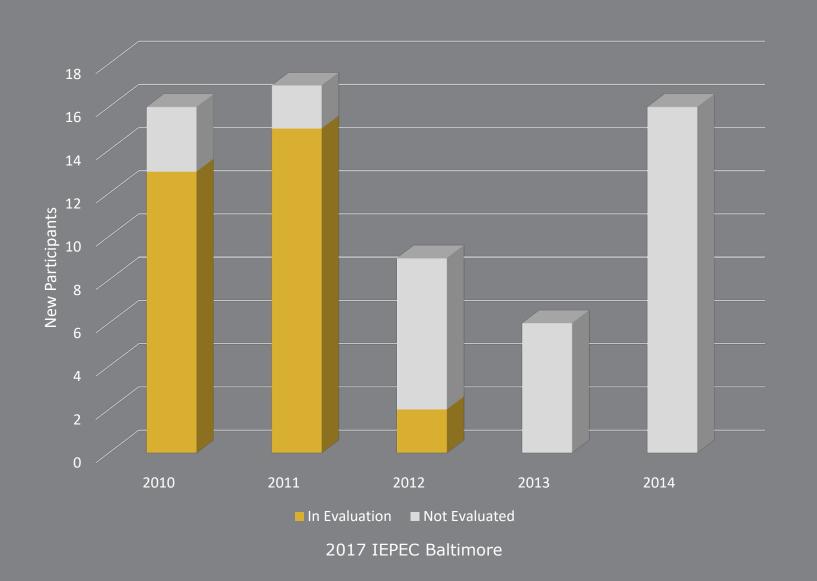
## Evaluation Objectives

Independently estimate facility and SEM savings

Assess Savings Trends

Survey participants on adoption of SEM practices

# Evaluation Sample



## Electric Savings Types

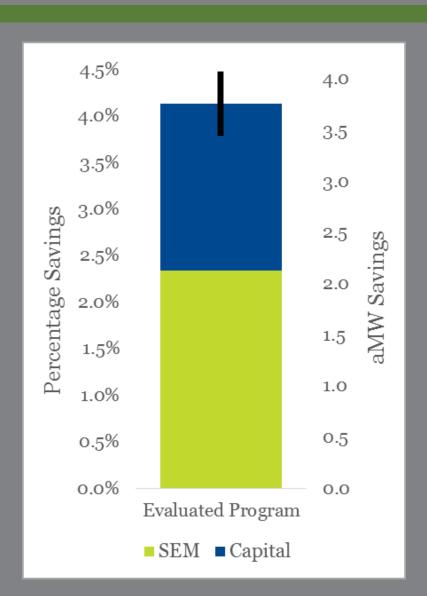
Facility
Savings

Capital
project
Savings

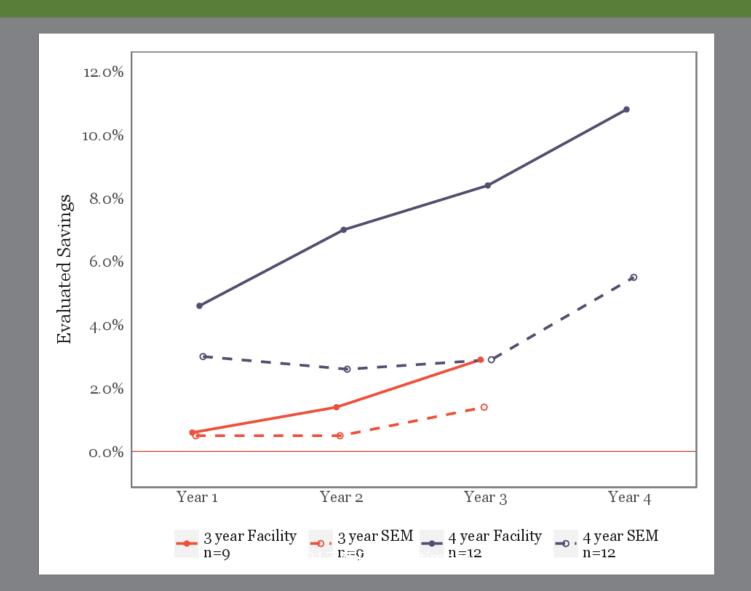
SEM Savings
Reported SEM Savings

# High-level Findings

#### SEM Saved 2.3% of Consumption

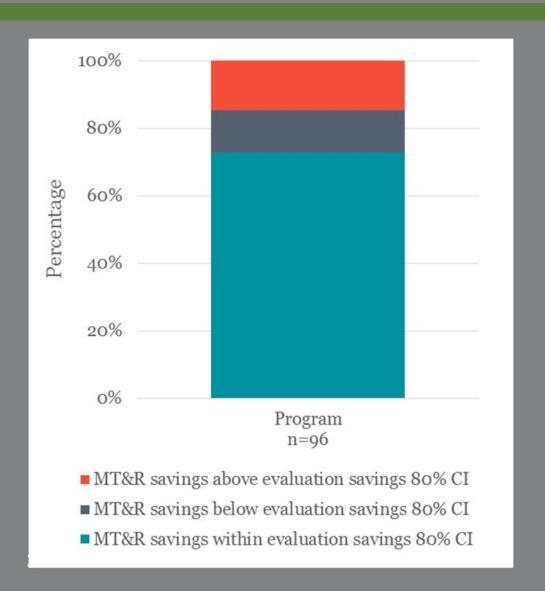


#### SEM Savings Persisted



#### Evaluation Verified Program's MT&R Result

Realization rate for MT&R was 106%



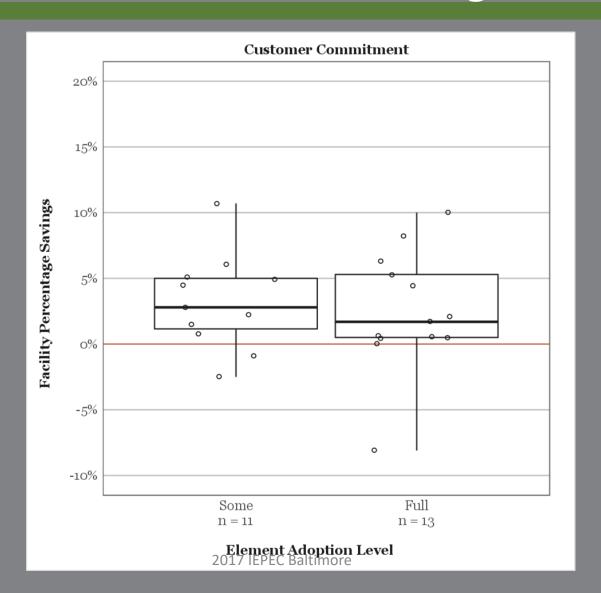
#### SEM Elements Adoption Survey

Customer Commitment

Planning and Implementation

Measuring and Reporting

# Adoption of SEM elements not correlated with SEM savings

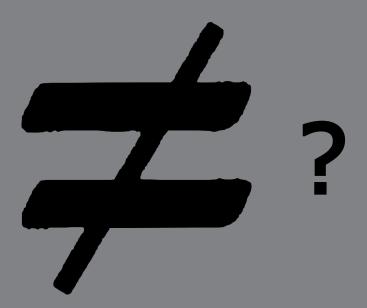


## Lessons Learned

#### Engaged Programs, Effective Evaluation

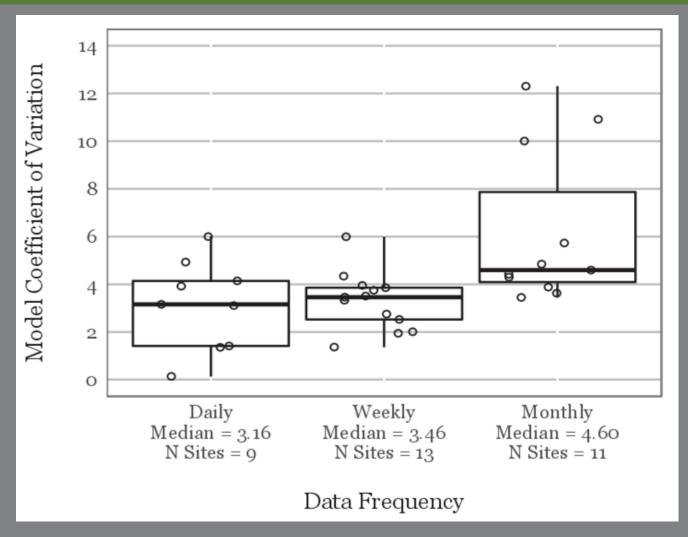


# Best Program Model

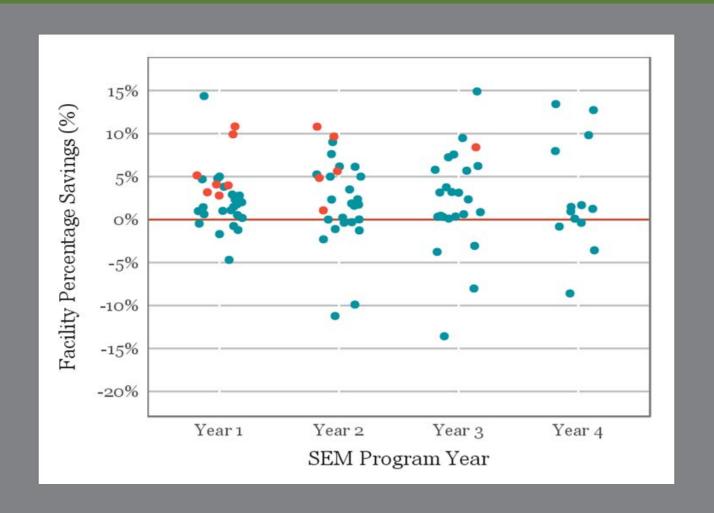


### Best Evaluation Model

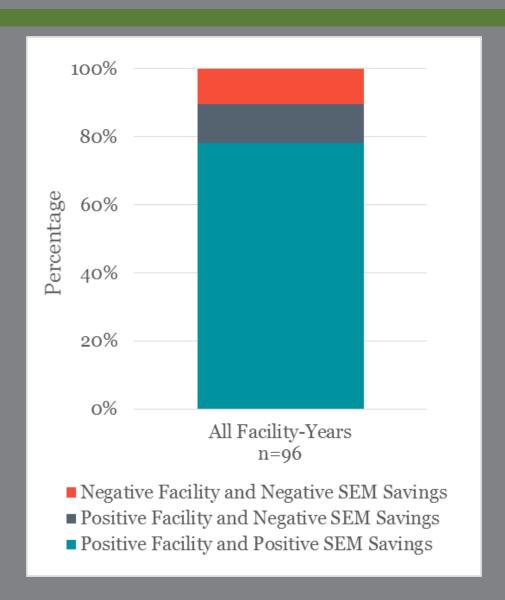
# More Granular is Better, but Monthly isn't a Deal Breaker



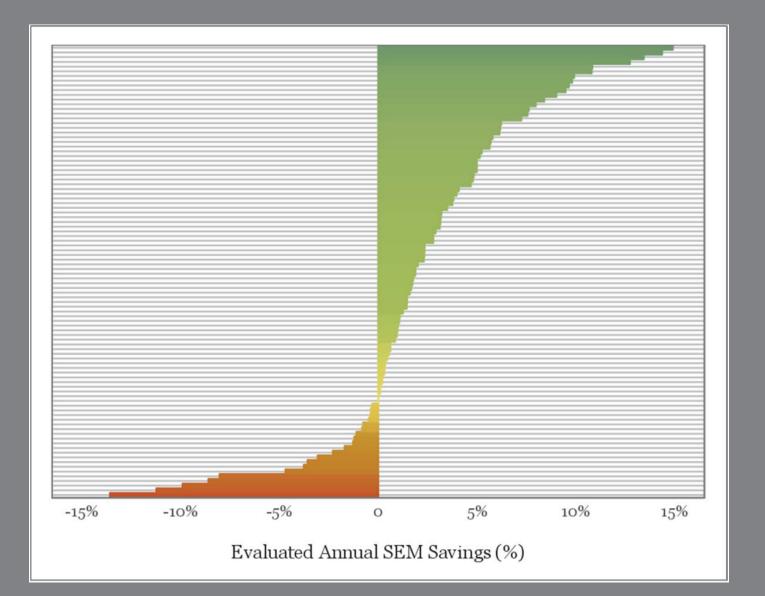
#### Be Comfortable with Variation



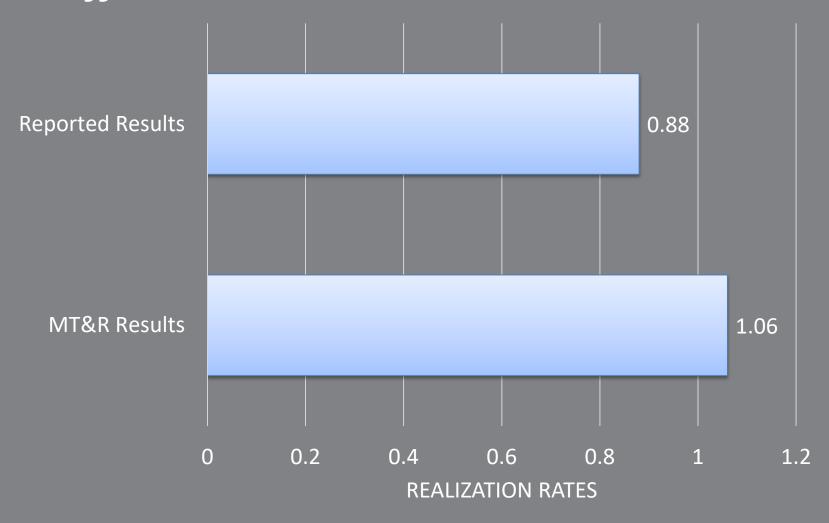
#### Be Prepared for Negative Savings Estimates



## Another way...



#### Reporting Practices of Negative Savings Affected Realization Rates



#### Accounting for Capital Projects has Tradeoffs

Whole Facility

Net out Capital

Regression model

Uncertainty

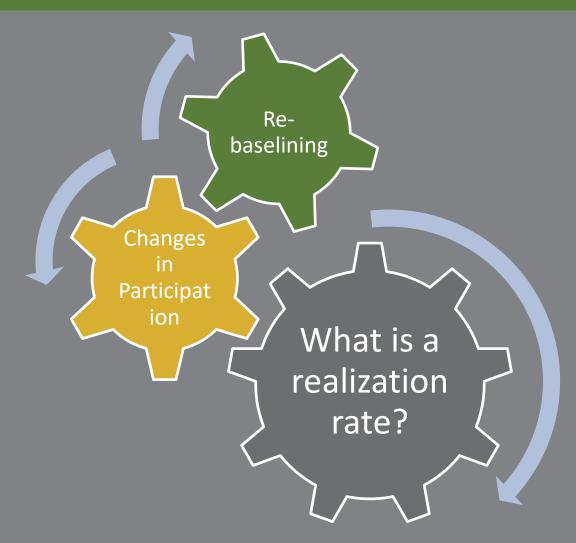
Lifetime

Errors in Capital

**Incentives** 

Standard Reporting

# More Complexity: Multi-year and Reporting Policies



# Conclusions

Interesting: Methods, uncertainty, negative savings, reporting policies

Recommend early coordination between evaluators and programs

#### Lots of Research Opportunities

Feasibility of sampling
Impact of uncertainty in capital projects
When use pre-post models
Persistence of SEM savings
Program design impacts on persistence
How to ensure no bias in savings reporting
Cost-effectiveness

# Questions?