



Slipping Through the Net



Agenda and Acknowledge Co-authors

Co-authors

- *Miriam Goldberg, DNV GL, Madison, WI*
- *Tracy Dyke-Redmond, Eversource, Westwood, MA*
- *Ralph Prah, Prah & Associates, University Park, FL*

Evaluating net savings

What happens when you add ISP

Root cause

What you can do about it

Testing some alternatives

Evaluating Net Savings

Net savings

- The savings that occurred because of the program
- Consumption difference between what participants would have installed and program efficiency

Often calculated, *not* measured directly

- Net savings = Gross savings * net-to-gross ratio (NTGR)

Measuring NTGR

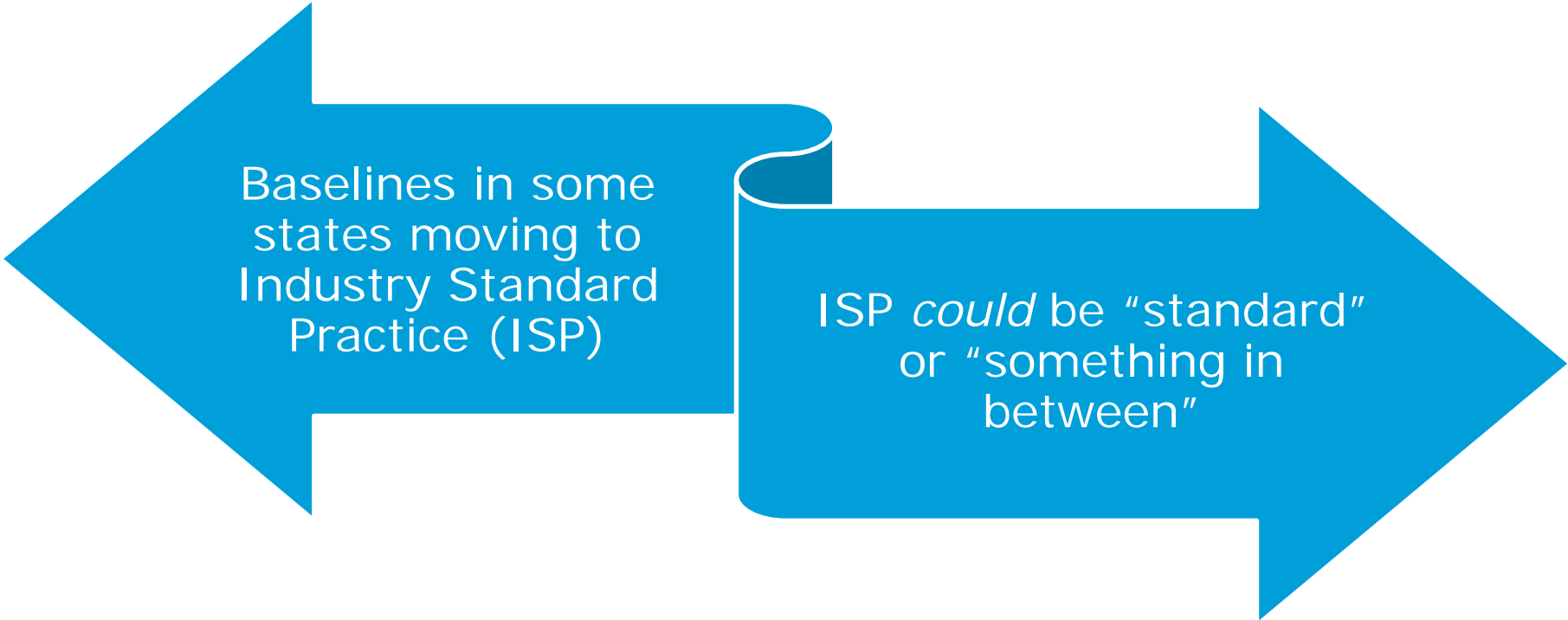
What efficiency level would you have installed without the program?

Standard
(NTGR=1)

What you installed
(NTGR=0)

Something in between
(NTGR=0.5)

Changing the Baseline

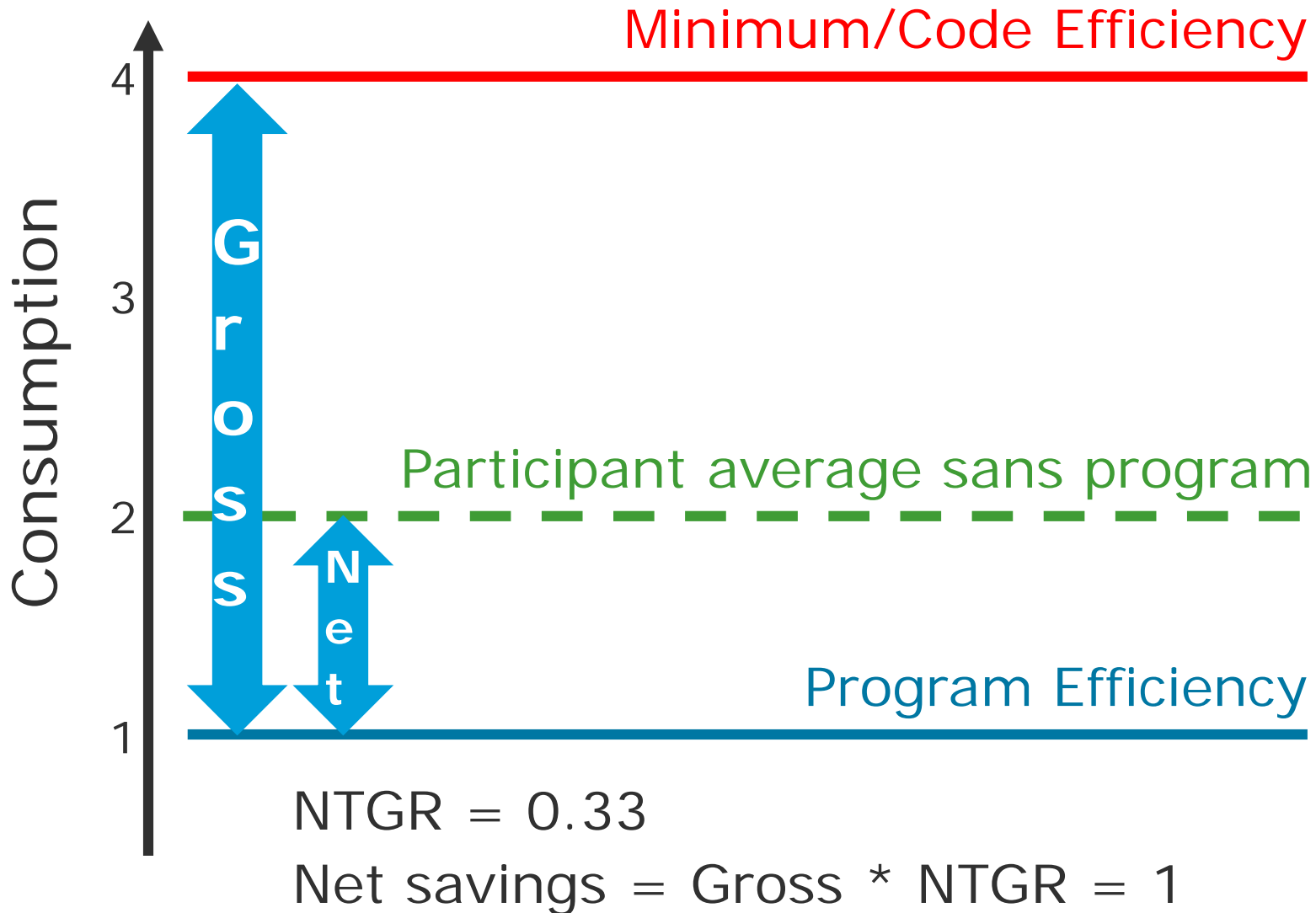


Baselines in some states moving to Industry Standard Practice (ISP)

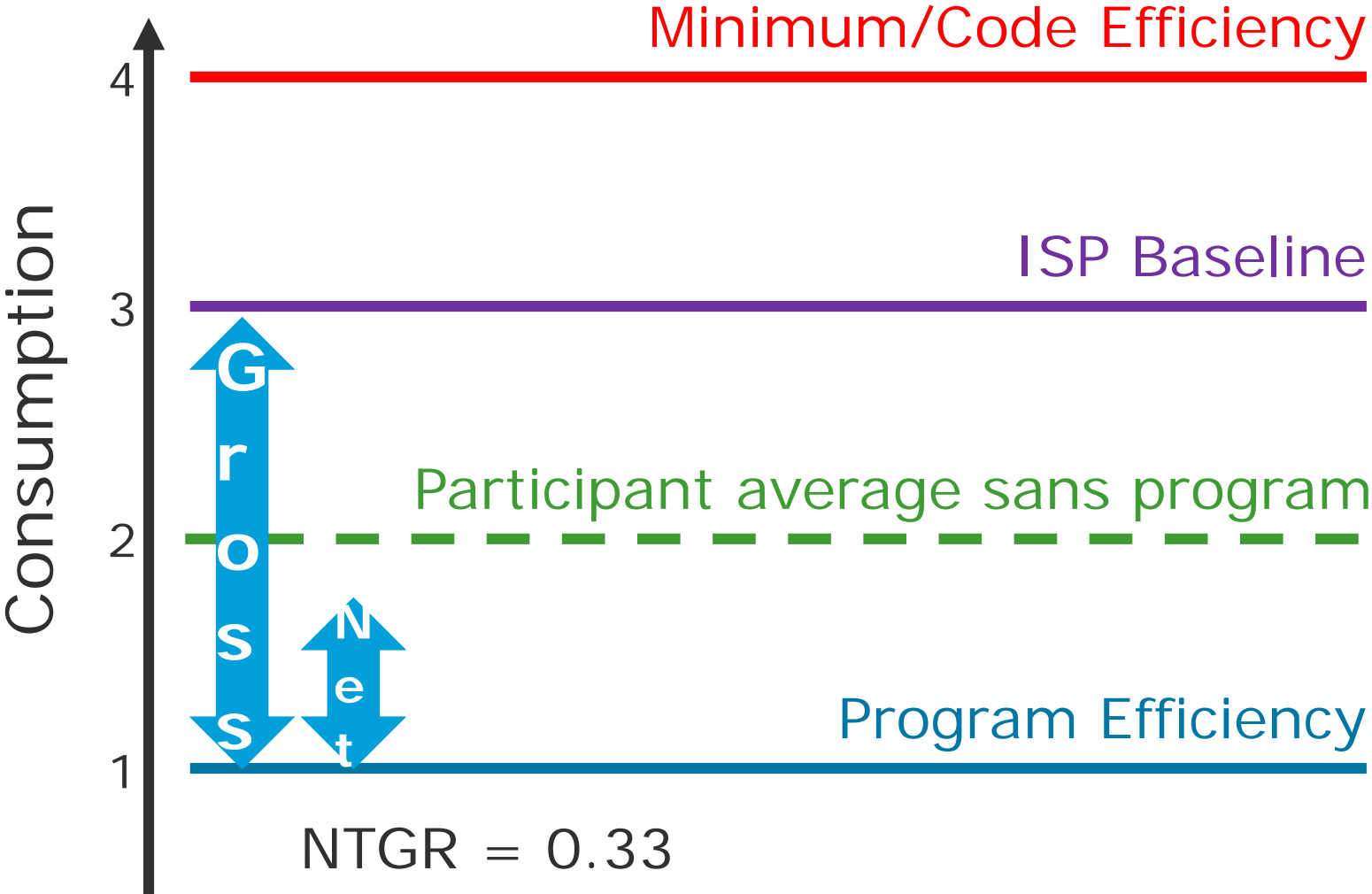
ISP *could* be "standard" or "something in between"

When there is an ISP, does the survey approach to estimating net savings still work?

Net Savings – Basic Situation



Net Savings – ISP Situation



$$NTGR = 0.33$$

$$\text{Net savings} = \text{Gross} * NTGR = 0.67$$

Root Cause

Net savings = Gross Savings * NTGR

General intermediate efficiency wording

Alternative Approaches

Net Savings Approach	Description of the Efficiency Component
Classic survey	Status quo
Simple	No intermediate efficiency
Improved Generic Intermediate Efficiency	Retains intermediate efficiency, Generic but less ambiguous wording
Participant Alternative Technology	Measure-specific alternative efficiency levels
Integrated Gross-Net	Measure net savings directly

Method

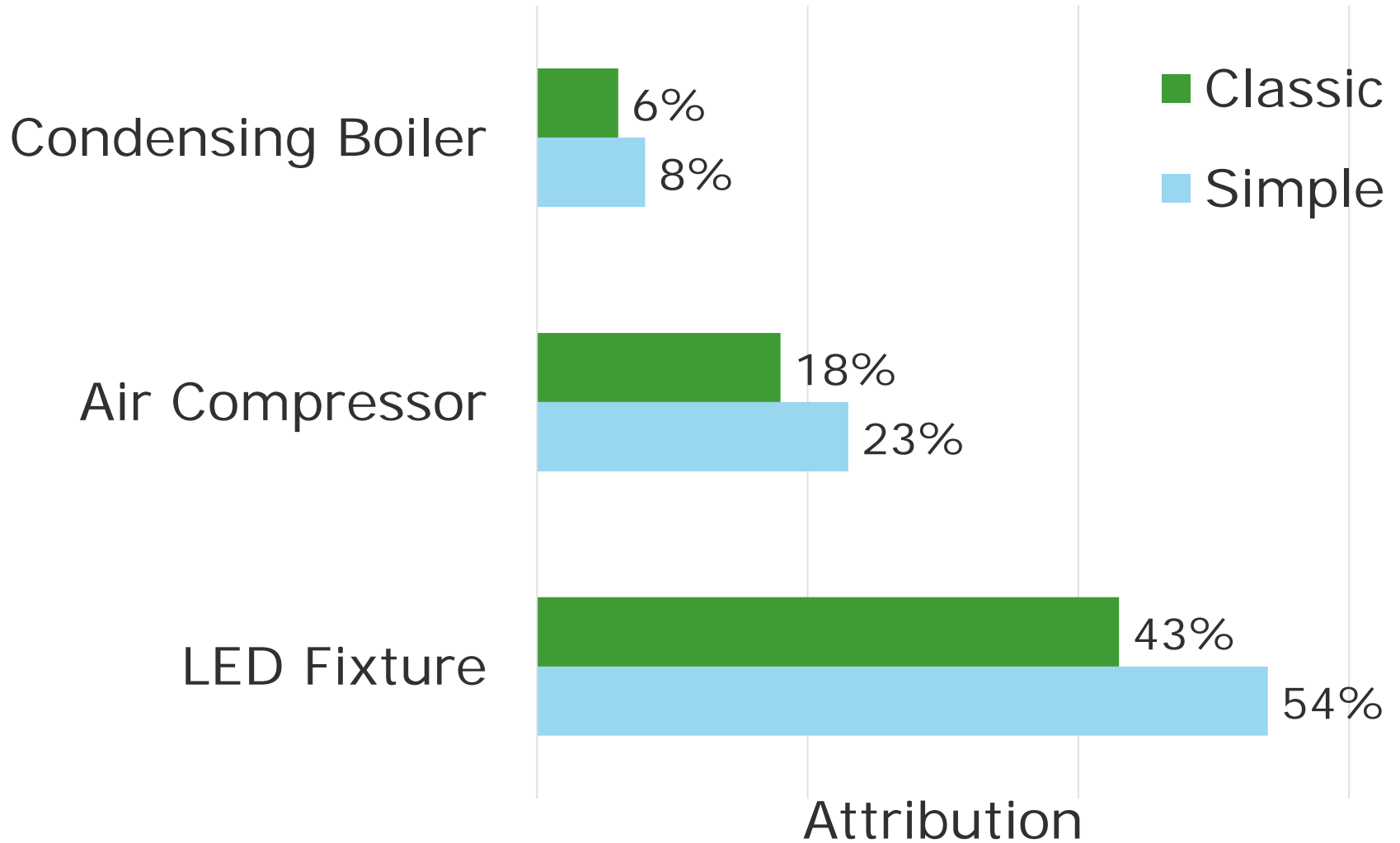
Added questions to recent Massachusetts NTG survey to test:

Understanding of
general
intermediate
efficiency wording

Test alternative,
specific
intermediate
efficiency wording

Measure effect of
eliminating
intermediate
efficiency question

Simple Approach



Suggested Approaches

Situation	Net Approach
Measure is very complex	Integrated Gross-Net
Only 2 efficiencies or no efficiency between program and baseline	Simple
>2 efficiency levels, Lower rigor ok	Simple -or- Modified Generic Intermediate Alternative
>2 efficiency levels, Higher rigor needed	Participant Alternative Technology

Thank you

Shawn Bodmann

Shawn.Bodmann@DNVGL.com

www.dnvgl.com

SAFER, SMARTER, GREENER

The trademarks DNV GL®, the Horizon Graphic and Det Norske Veritas® are the properties of companies in the Det Norske Veritas group. All rights reserved