



Prioritizing Evaluation Resources to Support a Clean and Equitable Future

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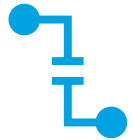
Agenda

- Minnesota context
- New strategic portfolio-wide evaluation approach
- Expected benefits & lessons learned
- Conclusions & considerations for other jurisdictions



Minnesota Context

Evaluation Expectations at Xcel Energy (Minnesota)



Evaluations focus on **process improvements** and understanding **program attribution**.



Topics for evaluations are presented in a **triennial plan filing**.



Evaluation plans for each program should allow for flexibility to **target research** where needed.

Approach to Evaluation at Xcel Energy (Minnesota)



Prior to 2020, Xcel Energy Minnesota relied on a **cyclical approach** to select DSM programs.



Benefits to Cyclical Approach

- Each program to be evaluated
- In-depth research on a program
- Data-driven recommendations
- Cost effective evaluation



Challenges to Cyclical Approach

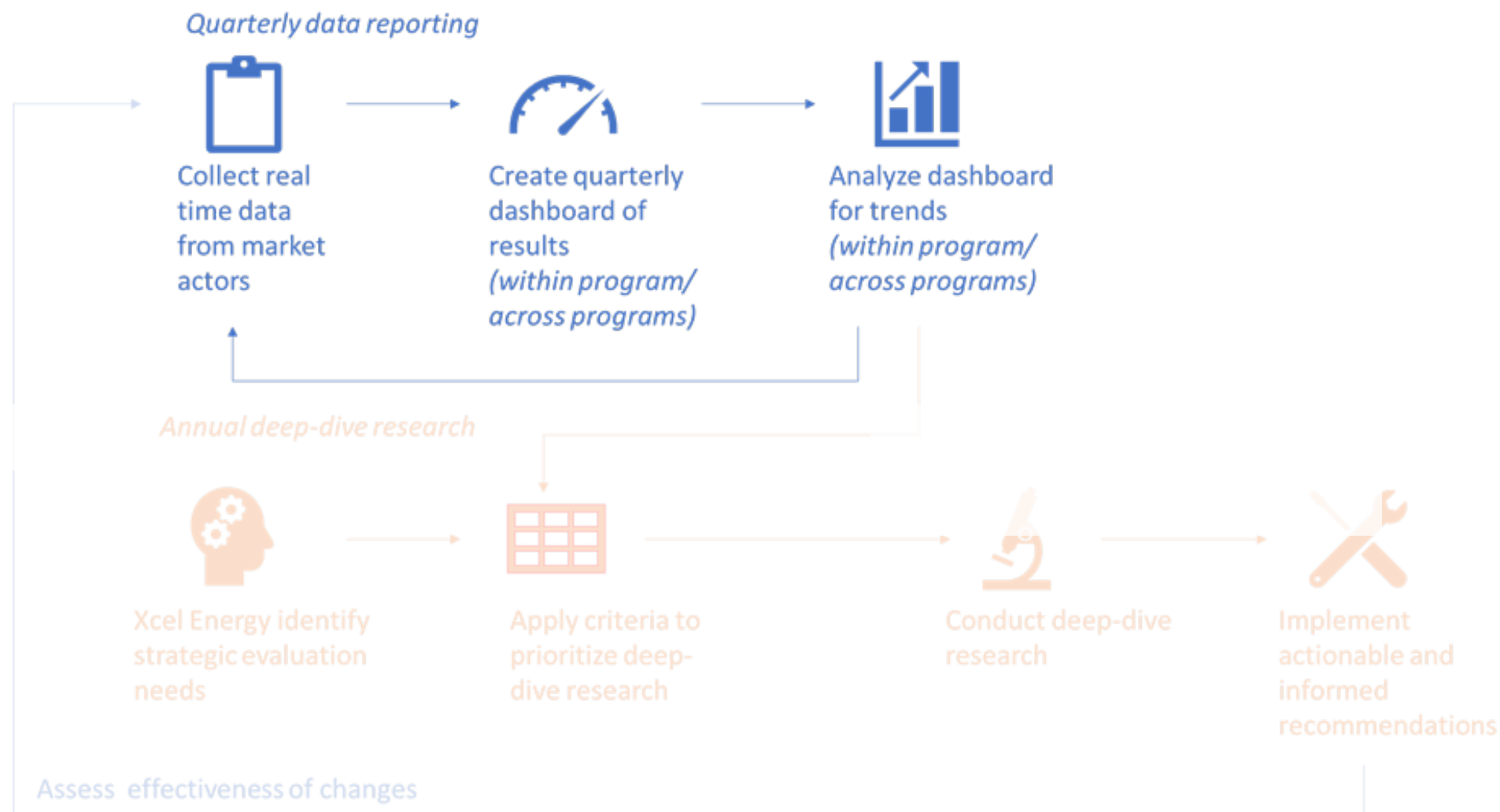
- Long cycles between evaluations
- Limited ability to perform portfolio-wide research
- Limited ability to focus on strategic needs

A New Strategic Portfolio- Wide Evaluation Approach

A New Approach to Evaluation



A New Approach to Evaluation: Quarterly Reporting



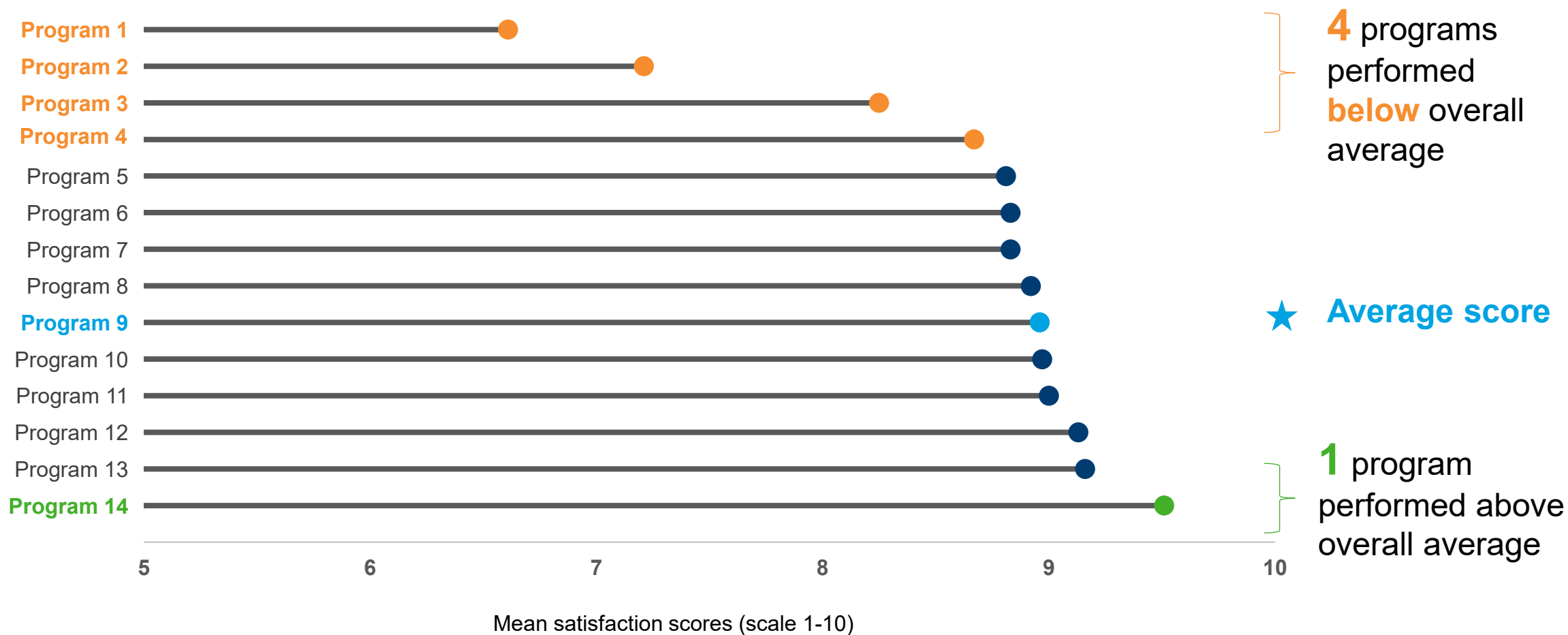
Types of Data that could be Included in Regular Reporting



Data Source	Topics Covered	Frequency of Data Collection
Program tracking data	Participation levels, energy savings, budgets	Rolling basis
Program experience survey	Program experiences	Rolling basis
Brand health tracker survey	Program awareness levels	Every six months
Attitude and use studies	Attitudes towards energy and energy uses	Every two years
Energy use studies	Use of equipment in facilities	Every two years

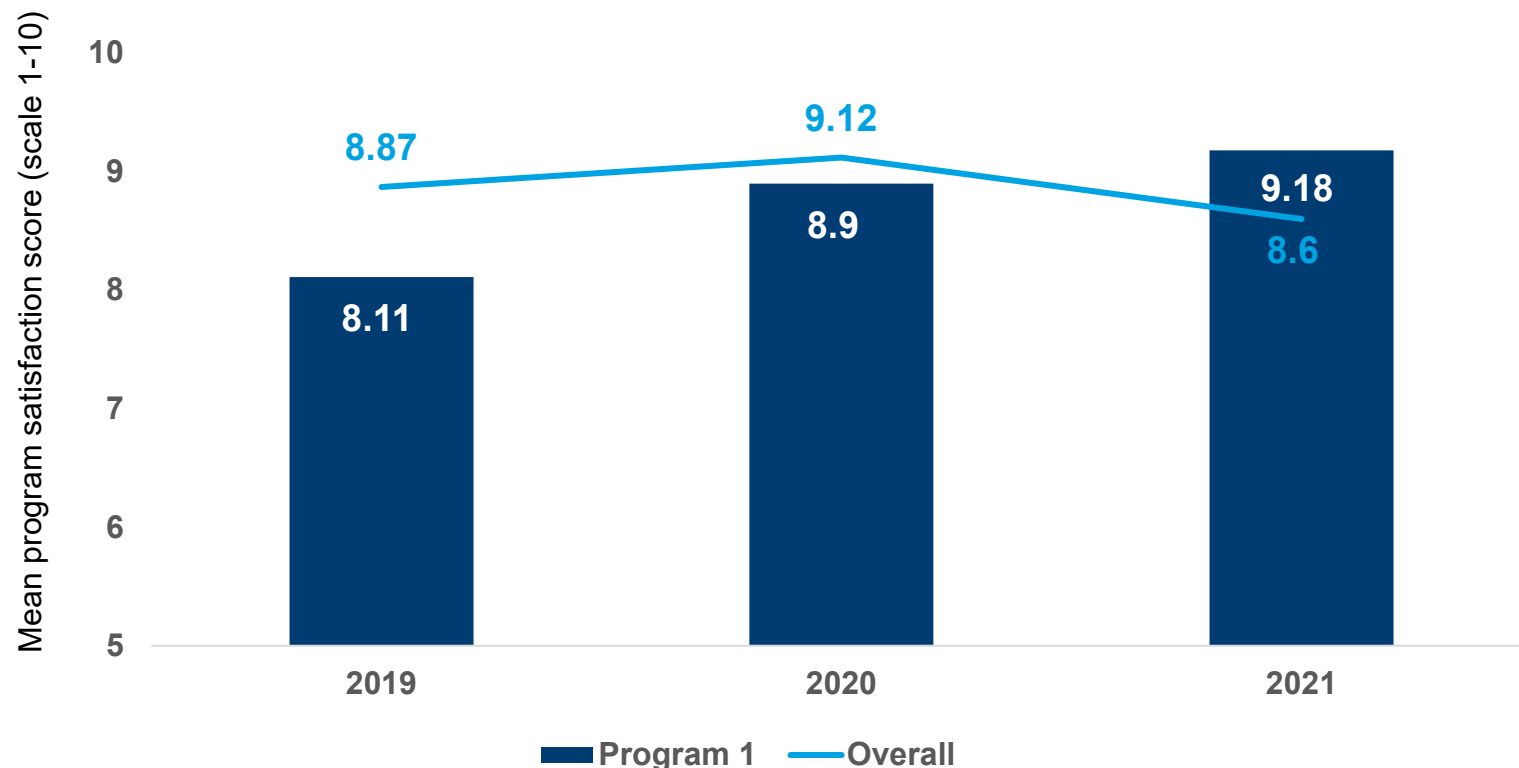
Data Showed Differences Across Programs

Participant satisfaction scores varied across programs.



Data Showed Differences Within a Program

Satisfaction scores with **Program 1** appears to be increasing in relation to itself and in relation to **overall** satisfaction scores across all programs.



★ *Short-term limitation:* Analysis limited because 2020 was the only year with full-year data

Data Gaps Impacted Quarterly Reporting Capabilities



Limited feedback from **trade partners**

- No regular portfolio-wide data collection effort



Limited feedback from **C&I customers**

- Multiple contacts
- Staff turnover

Quarterly Reporting



Analyze Results to Identify Research Needs





Supporting Corporate & Portfolio Vision

- Better understand load shifting and beneficial electrification
- Optimize comprehensive offerings
- Optimize offerings that support complex decision-making and deep savings
- Better understand data analytical capabilities and offerings



Managing Risk

- Monetary costs to running energy efficiency programs
- Energy savings goals



Addressing Specific Needs

- Programs with opportunities for greater participation
- Defined research needs
- Stakeholder needs
- Evaluation history

Expected Benefits & Lessons Learned

Benefits of the New Approach

DSM Managers

- Offers centralized place for data
- Allows use to select relevant data
- Enables assessment of programs anytime
- Enables assessment after program and/or major market changes
- Provides more consistent feedback on programs

Evaluators

- Allows for a pulse on all programs at all times
- Limits risk of allocating research to particular programs
- Enables a cost effective approach as it relies on existing data sources
- Allows for an annual prioritization exercise to target research

Lessons Learned in Developing this Approach



Identified challenges with **data** gaps, safety protocols, and ensuring research meets regulatory scrutiny



Change requires **time** to align staff, understand usability, and develop tools



Priorities and staffing can **shift** with time generating new strategic needs

Conclusions & Considerations for Other Jurisdictions



The portfolio-wide evaluation approach improves on the cyclical approach, because it provides utility staff **analysis on all the DSM programs on a regular basis**, instead of analyzing a limited number of programs each year.



It also provides an opportunity to **align evaluation resources with utility and portfolio-wide strategic priorities**, thereby providing research to help support the utility meet its carbon reduction goals.



The new portfolio-wide evaluation approach allows Xcel Energy to be better **positioned to understand customer experiences** with all its DSM programs and meet its strategic goals.

*Findings underscore the importance of **collaboration** and a **thoughtful rollout** when implementing new approaches in a heavily regulated industry.*

Questions for Other Program Administrators to Consider



What are the PA's objectives for evaluation?
Is their evaluation approach meeting their evaluation objectives?



What factors should be included in a prioritization exercise?
What strategic customer or policy issues could evaluation support?
What portfolio-wide strategic initiatives could evaluation support?



Do additional market actor surveys exist?
How relevant are other data points to their DSM programs?
How is that data collected and do data collection methods meet regulatory needs?

Thank You

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