RTR Appendix

MCE developed Responses to Recommendations (RTR) contained in the evaluation studies of the 2013-2015 Energy Efficiency Program Cycle and beyond. This Appendix contains the Responses to Recommendations in the report:

MCE Impact Evaluation Final Report – Program Year 2021 (Opinion Dynamics, Calmac ID: CPU0364).

The RTR reports demonstrate MCE's plans and activities to incorporate EM&V evaluation recommendations into programs to improve performance and operations, where applicable. MCE's approach is consistent with the CPUC Decision (D.) 07-09-043[1] and the Energy Division-Investor Owned Utility Energy Efficiency Evaluation, Measurement and Verification (EM&V) Plan[2] for 2013 and beyond.

Individual RTR reports consist of a spreadsheet for each evaluation study. Recommendations were copied verbatim from each evaluation's "Recommendations" section.[3] In cases where reports do not contain a section for recommendations, MCE attempted to identify recommendations contained within the evaluation. Responses to the recommendations were made on a statewide basis when possible, and when that was not appropriate (e.g., due to utility-specific recommendations), MCE responded individually and clearly indicated the authorship of the response.

MCE is proud of this opportunity to publicly demonstrate how programs are taking advantage of evaluation recommendations, while providing transparency to stakeholders on the "positive feedback loop" between program design, implementation, and evaluation. This feedback loop can also provide guidance to the evaluation community on the types and structure of recommendations that are most relevant and helpful to program managers. MCE believes this feedback will help improve both programs and future evaluation reports.

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1 Attachment 7, page 4, "Within 60 days of public release, program administrators will respond in writing to the final report findings and recommendations indicating what action, if any, will be taken as a result of study findings as they relate to potential changes to the programs. Energy Division can choose to extend the 60 day limit if the administrator presents a compelling case that more time is needed and the delay will not cause any problems in the implementation schedule, and may shorten the time on a case-by-case basis if necessary to avoid delays in the schedule."

2 Page 336, "Within 60 days of public release of a final report, the program administrators will respond in writing to the final report findings and recommendations indicating what action, if any, will be taken as a result of study findings. The IOU responses will be posted on the public document website." The Plan is available at http://www.energydataweb.com/cpuc.

3 Recommendations may have also been made to the CPUC, the CEC, and evaluators. Responses to these recommendations will be made by Energy Division at a later time and posted separately.

Response to Recommendations (RTR) in Impact, Process, and Market Assessment Studies
MCE Response

Study Title: MCE Impact Evaluation Final Report Program Year 2021
Program: Direct Install/Incentive/Technical Assistance
Author: Opinion Dynamics
Calmac ID: CPU0364
ED WO: N/A
Link to Report: https://pda.energydataweb.com/api/view/3862/MCE%20PY2021%20Impact%20Evaluation%20Report%20FINAL_PDA.pdf

MANAGEMENT APPROVAL AFTER REVIEWING ALL IOU RESPONSES		
	Name	Date
PG&E	N/A	
SCE	N/A	
SCG	N/A	
SDG&E	N/A	
MCE	Qua Vallery	11/1/2023

Item #	Page #	Findings	Best Practice / Recommendations (Verbatim from Final Report)	Recommendation Recipient	Disposition	MCE Disposition Notes
				If incorrect, please indicate and redirect in notes.	Choose: Accepted, Rejected, or Other	Examples: Describe specific program change, give reason for rejection, or indicate that it's under further review.
1	10	Enrollment requirements can be a barrier to customer participation.	Ensure aggregators carefully communicate the participation requirements to customers when enrolling their projects, particularly the requirement that the customer make no major changes for the 12 months following the EE project. One customer who is charged with energy management of a chain of grocery stores said he would not have agreed to carry out the CEM rebated project if he was limited in the future projects he could carry out during the post-installation period.	MCE	Accepted	MCE supports the evaluators' recommendation and will continue to work to ensure that aggregators clearly communicate all program participation requirements to customers.
2	76	Qualifying projects are consistent with NMEC Rulebook guidance, with the exception of fuel substitution measures. Notably, depending on how many sites install fuel substitution measures, the criteria that “energy savings from program interventions will be similar across all sites in the population” may not be met with the inclusion of fuel substitution measures.	While the CEM M&V plan generally aligns with the NMEC Rulebook, we recommend MCE pays careful attention to the similarity of projects enrolled in the program. As stated in the NMEC Rulebook, “Population-level NMEC program sites must have building-type similarity such that…energy savings from program interventions will be similar across all sites in the population.”	MCE	Accepted	MCE appreciates the recommendation and reviewed the NMEC Rulebook findings and the potential impact of fuel substitution measures on project similarity. MCE commits to ensure the success of the CEM M&V plan and the NMEC program as a whole. In light of the NMEC Rulebook's requirement for energy savings similarity across all program sites, MCE will carefully evaluate the inclusion of fuel substitution measures in the program. MCE understands that this inclusion may introduce variability in energy savings outcomes among different sites.

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3	51	Overall, we found lower operating hours than the DEER numbers automatically populated in the MLC based on facility type and location. Lower operating hours lead to lower energy savings.	Ensure careful review of the eTRM and hours of operation data when calculating claimed savings. We found a few issues with the measure level ex ante savings estimates. It is possible that the hours of operation maybe be slightly overstated for some grocery stores that claim all lighting is illuminated 24/7, but do not operate 24/7. Further, two VFD claims did not match with the eTRM and there was not enough documentation to explain why.	MCE	Other	Since MCE experienced issues with sites having fewer operating hours than the DEER estimates that automatically fill in the MLC, Opinion Dynamics should counsel the CPUC ex ante team to: • Modify the MLC assumptions concerning operating hours; and • Allow implementers a sensible level of flexibility to modify operating hours within the MLC. MCE will work with implementers to ensure that the eTRM data being referenced is accurate.
4	10	Careful attention must be given to the meter ID numbers associated with projects to ensure proper aggregation of consumption data to the site at which an aggregator enrolled a customer's EE project in the CEM program.	Based on our evaluability assessment, we found MCE provided a single meter ID number for each project site. If more than one meter ID is affected by a project at a given site, we recommend MCE include all meter IDs that are affected by the retrofit. If only one meter was affected, it would be useful to note this information in the program tracking data. Providing a full set of meter IDs associated with the site, if applicable, will reduce the likelihood of improperly aggregating consumption data to the site level.	MCE	Accepted	MCE will continue to provide meter IDs that are affected by the retrofit. MCE accepts the recommendation to indicate if only one meter was affected in the program tracking data. If applicable and available, MCE will provide a complete set of meter IDs associated with the site.
5	13	MCE claimed all lighting projects were Accelerated Replacement (AR) projects, meaning the customer installed the LEDs while their old lights were still viable. Based on survey responses, six participants indicated that their old lights were failing; or that they were actively planning a lighting upgrade and would have done the same lighting upgrade in the absence of the program.	Probe AR conditions as reported by the implementers prior to claiming savings. Projects where equipment has reached the end of its useful life, or where the customer was planning a lighting project in the very near future, should not be claimed as "early replacement."	MCE	Accepted	MCE accepts the evaluators' recommendation and will work with implementers to ensure that AR conditions are confirmed before claiming savings.
6	14	For custom lighting equipment, second baseline savings vary based on each individual equipment installed and are significantly lower than first baseline savings. Unfortunately, in PY2021, the program claimed second baseline savings as a constant fraction of 81.9 percent of first baseline savings, which significantly overstates annual savings for the remaining 7 years of the LED equipment.	Rely on the MLC for the correct second baseline savings for all custom measures. Using a flat 81.9 percent of the first baseline savings caused MCE to significantly overstate gross lifecycle savings.	MCE	Accepted	MCE accepts the evaluators' recommendation and will take the necessary steps to confirm the correct second baseline savings with implementers.

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7	13	For AR equipment, the guidance for calculating the remaining useful life of the equipment removed is one-third of the life of the original equipment. As documented in the MLC calculators, all lighting equipment removed had 15 years rated life. Their remaining life is therefore 5 years, not 4 years, as claimed in the program tracking data. Higher remaining useful life (RUL) values lead to increased energy savings.	Use the correct RUL for custom measures. Using an RUL of four instead of the correct five years caused the lifecycle calculation to underestimate lifecycle savings for the RUL of the measure removed.	MCE	Accepted	MCE accepts the evaluators' recommendation to use the correct RUL with the guidance provided.
8	14	The deemed equipment claimed by the program are all TLED lamps, which are LED lamps that can function with an electronic ballast from the existing T8 fluorescent fixtures. Workpaper SWLG009-02 which was in effect in 2021, stipulates a 5-year remaining life and a 5 year total life for the TLED equipment. The program claimed a total equipment life of 15 years and a remaining life of 5 years for the deemed TLED equipment, which significantly overstates lifecycle savings.	Use the correct EUL/RUL and second baseline for deemed measures. Workpaper SWLG009-02 governs Type A TLED installations. Failure to follow the workpaper guidelines caused MCE to significantly overstate gross lifecycle savings.	MCE	Accepted	MCE accepts the evaluators' recommendation to use the correct EUL/RUL with the guidance provided.
9	13	Overall, we found lower operating hours than the DEER estimates that automatically populated in the Modified Lighting Calculator (MLC) based on facility type and location. Lower operating hours lead to lower energy savings.	The results of this evaluation, which found operating hours and peak coincidence factors lower than the current DEER estimates, should be considered for future updates to the DEER lighting hours and the Modified Lighting Calculator (MLC) which incorporates the DEER values.	CPUC	Accepted	MCE supports Opinion Dynamics counseling the CPUC ex ante team to: • Update the DEER lighting hours and MLC; and • Allow implementers a sensible level of flexibility to modify operating hours within the MLC.
10	63	It appears that some of the eTRM data may need to be updated to reflect the latest approved eTRM workpaper/measure packages. It also appears that there is a need for additional measure permutations in the eTRM to cover real-world scenarios, such as the 'HTR' and 'EUC' NTG_IDs. Those issues aside, it appears that MCE is likely claiming some incorrect parameter values such as UES and GSIA. MCE should be able to alleviate this issue, along with some of the others listed, through tighter integration between claims and the eTRM.	Based on our review of MCE's 2021 claims for deemed SFDI and Multifamily equipment, it appears that some of the eTRM data may need to be updated to reflect the latest approved eTRM workpaper/equipment packages. It also appears that there is a need for additional permutations in the eTRM to cover real-world scenarios, such as the 'hard to reach' (HTR) and 'Energy Upgrade California' (EUC) NTG_IDs. Those issues aside, it does appear that MCE is likely claiming some incorrect parameter values such as unit energy savings (UES) and gross savings installation adjustment (GSIA).	MCE, CPUC	Accepted	MCE accepts the evaluators' recommendation related to parameter values and supports the proposed updates to the eTRM.

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11	170	Matching the MCE claim records with corresponding eTRM records was arduous. However, this exercise should be seamless beginning with 2022 claims, with the implementation of a new MeasDetailID field in the claim.	Monitor 2022 MCE claims to verify whether the new 'MeasDetailID' field alleviates some of the matching issues. For those issues which still exist, MCE should work with the eTRM team to ensure that the appropriate values exist in the eTRM.	MCE, CPUC	Accepted	MCE supports this recommendation and will work with the eTRM team on resolving remaining related issues to ensure that appropriate values exist in the eTRM.
12	63	The estimated SFDI NTG analysis revealed a program NTGR of 0.96 and a ratio of 1.01 when the market effects adder is included.	Based on our NTG analysis, we recommend MCE apply the evaluated NTGR to its claim corrected first year gross energy and demand savings for a more accurate representation of its SFDI program savings	MCE	Other	MCE reports measure-level NTGRs based on the CA eTRM's determinations. Reporting a program-level NTGR for MCE's program could lead to discrepancies with the eTRM database. Therefore, MCE suggests that Opinion Dynamics communicate with the CPUC ex ante team to include the program-specific NTG ID in the CEDARS NTG value list. This approach allows MCE to use program-specific NTG IDs, and notifies evaluators about their usage.