



**E Source**

# Making Sense of 1,000 Program Results



INTERNATIONAL  
ENERGY  
PROGRAM  
EVALUATION  
CONFERENCE

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# Why Our Industry Is Like... Raising Little Children



# A Whole New Perspective



# It Can Be a Little Messy... ...and Unpredictable



# We Keep Doing the Same Things Over and Over



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# And Missing the Targets



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Our industry is **spending** a **significant share** of ratepayer dollars on programs that **don't achieve** stated performance **goals**.



# But Why?



Louis C.K. "Why?" - YouTube

[www.youtube.com/watch?v=4u2ZsoYWwJA](http://www.youtube.com/watch?v=4u2ZsoYWwJA)

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# Study Background

- Source: E Source DSM Insights
- 2010–2013
- 1,481 programs from 103 program administrators accounting for \$10 billion in ratepayer dollars spent



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# Questions We Know You'll Ponder For the Next 15 Minutes

“ How to make goals more attainable?

“ How can we forecast better?

“ Should we leave out certain categories of programs?

“ Are they right?



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# Our Analysis of Program Performance



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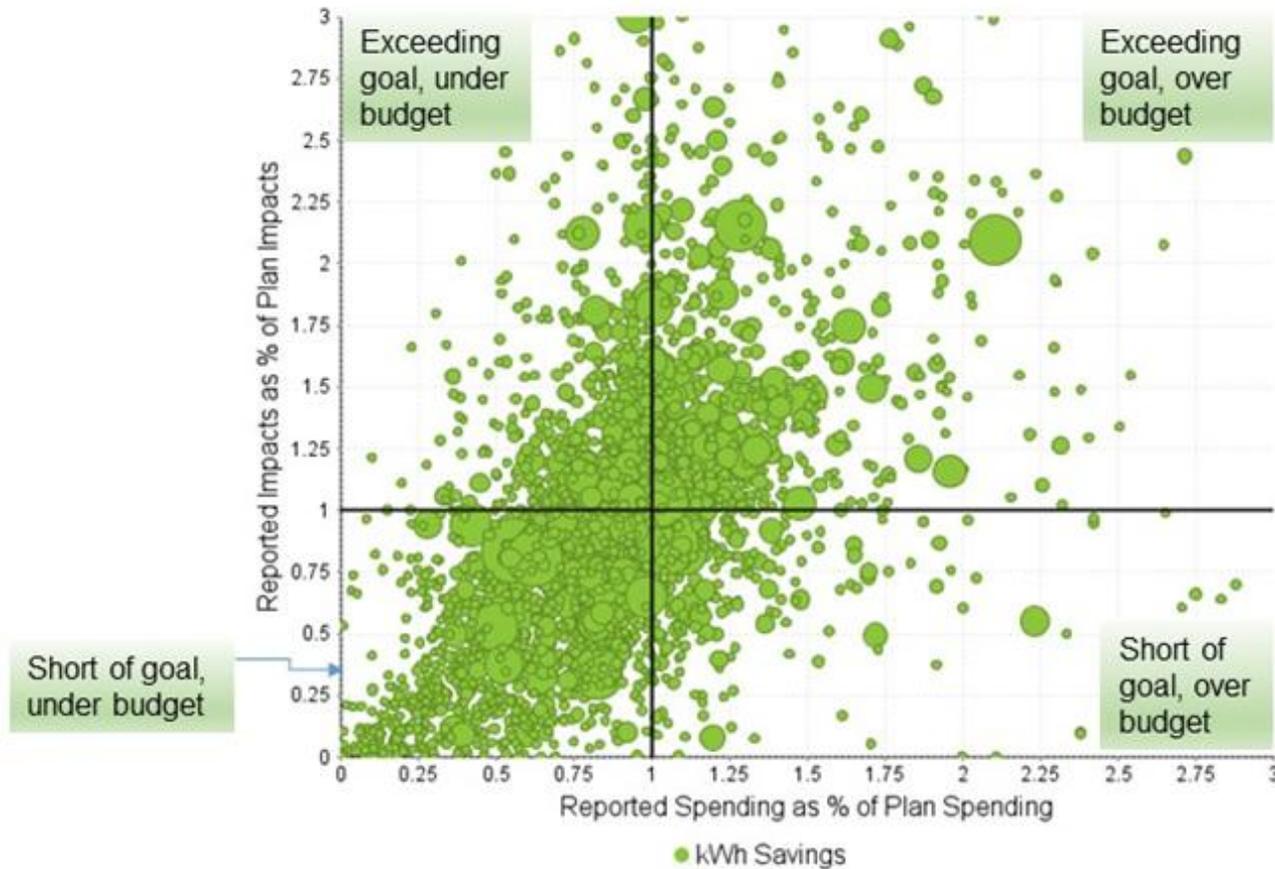
# DSM Program Performance: Plan Versus Actual

>40%

of \$ toward programs that failed to achieve targeted savings goal



# DSM Program Performance: Plan Versus Actual (Electric)

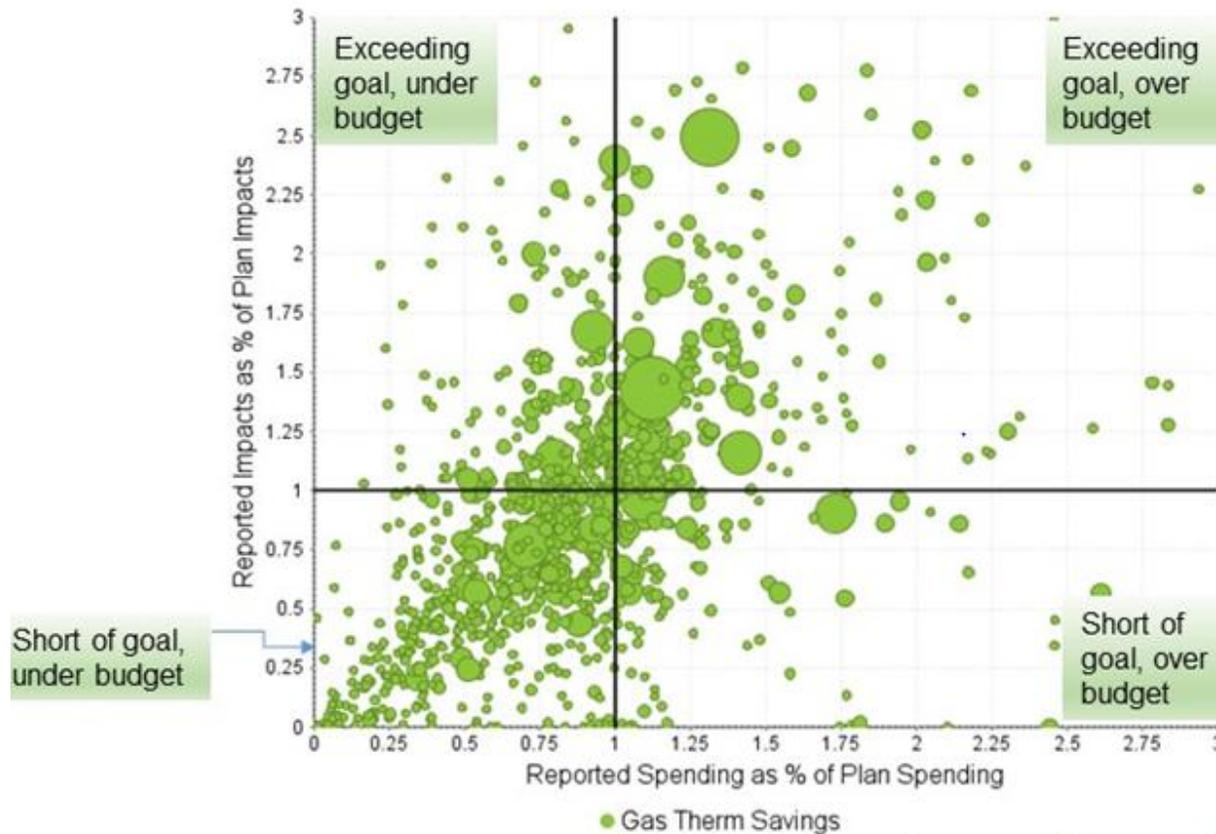


Source: E Source, DSM Insights 2015

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# DSM Program Performance: Plan Versus Actual (Gas)



Source: E Source, DSM Insights 2015

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# It's Getting Harder Over Time...



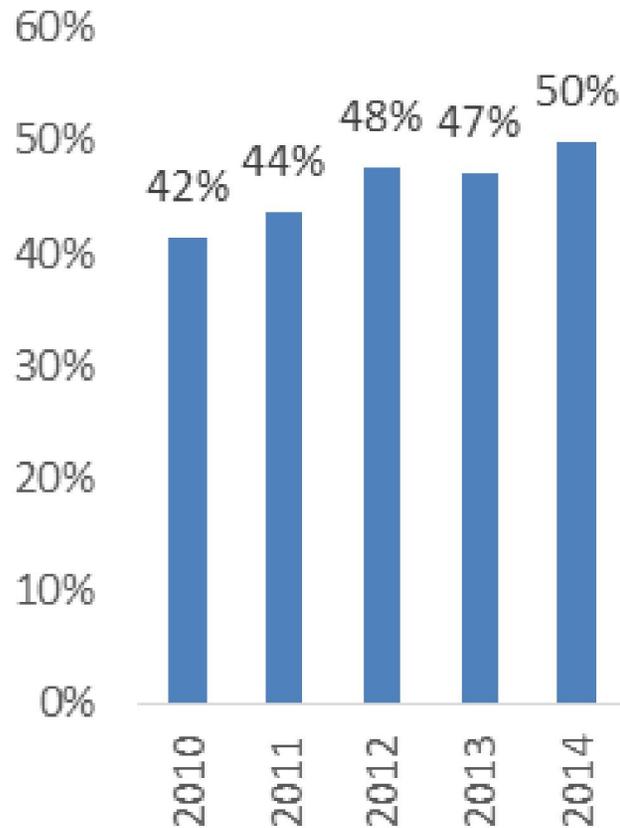
# Things Aren't Going in the Right Direction



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# Percentage of Program Spend for Programs Falling Short of Goals



Source: E Source, DSM Insights, 2015

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# Change in Regional Performance



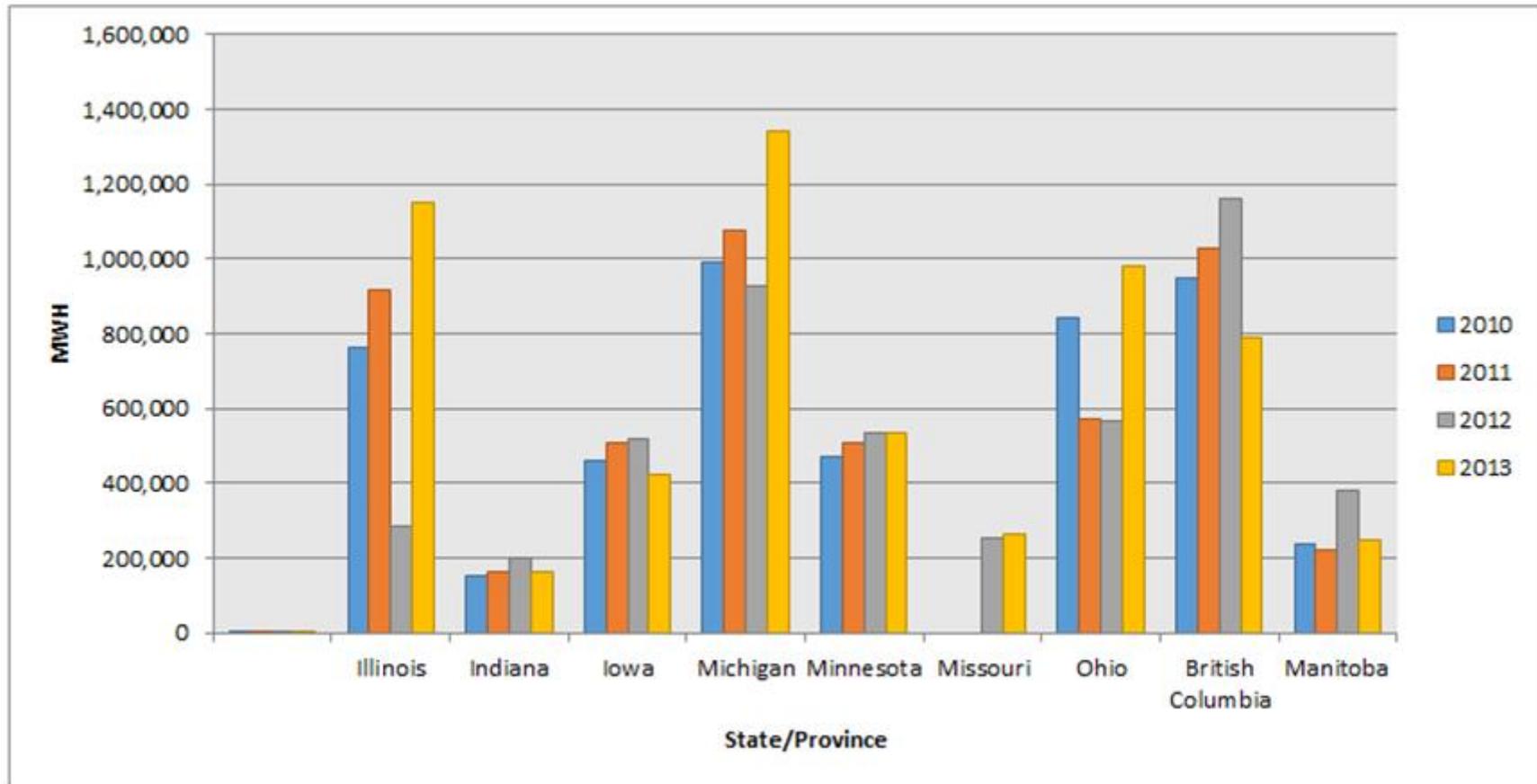
# Proportion of Spending on Programs Reporting Savings Less Than Goal, by Region

	Overall		Electric (kWh)		Gas (therms)	
	2010	2013	2010	2013	2010	2013
Canada	38%	68%	32%	67%	78%	71%
Midwest	25%	42%	26%	38%	22%	53%
Northeast	50%	50%	47%	49%	63%	52%
South	50%	48%	55%	50%	5%	35%
West	48%	44%	51%	41%	9%	53%
Total	42%	47%	43%	46%	36%	52%

Source: E Source, DSM Insights, 2015



# Electric DSM Goals by State (MWh)



Source: E Source, DSM Insights, 2015

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# Tipping Point: Impacts of State Program Spending on Underperforming Programs

% spending on underperforming programs

Achieved savings as a % of plan



40%

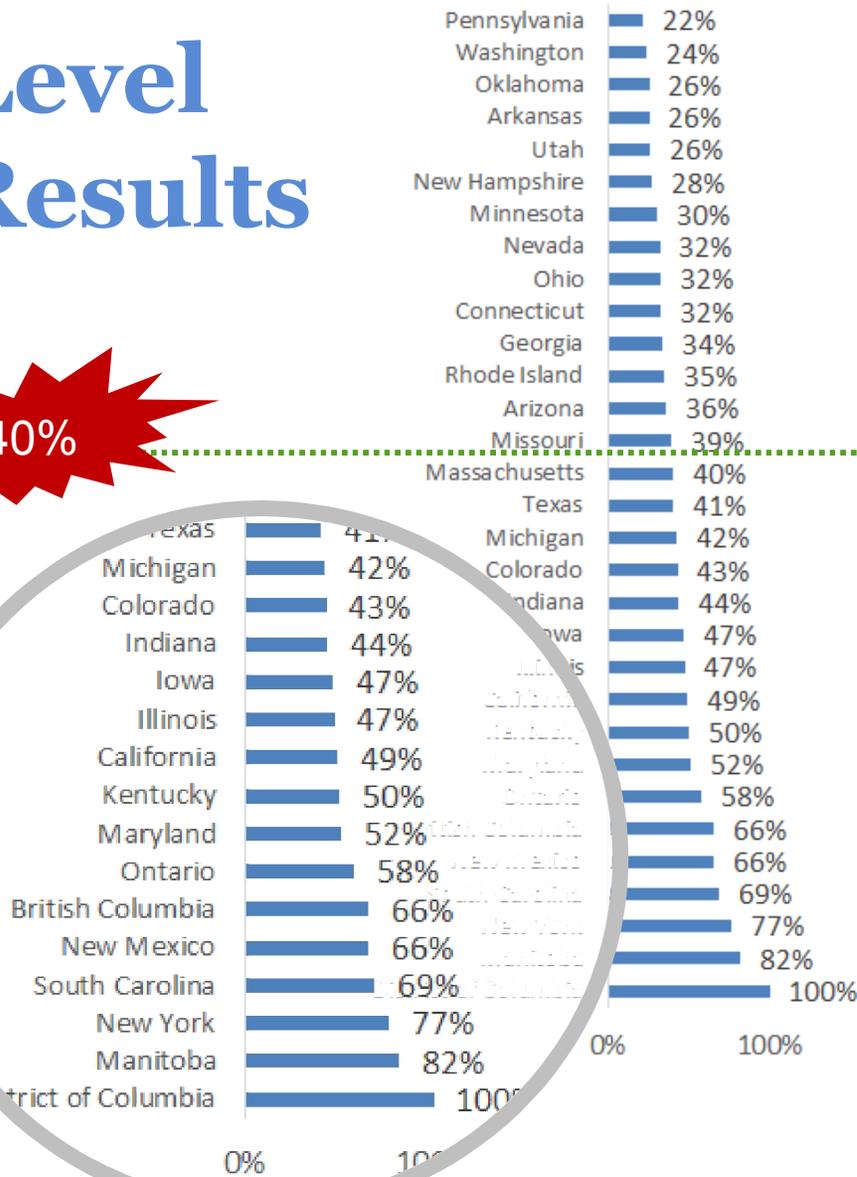
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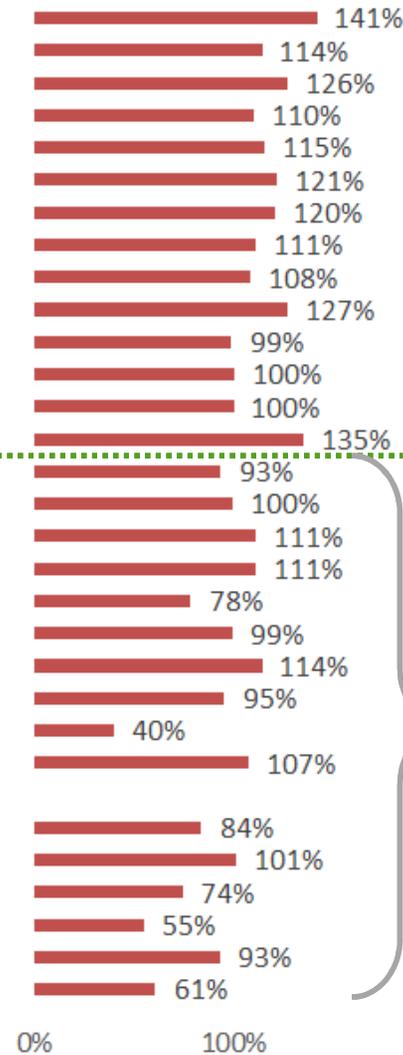
# State-Level Results

40%

Percentage of funds spent on underperforming programs



Achieved kWh savings as percentage of plan



>50% of states below overall portfolio goal

Source: E Source, DSM Insights, 2015



**Some Program  
Models Aren't  
Superheroes...**

**...Tend to Fall  
Short of Goals  
More Often**



# Non-Res Program Categories That Consistently Underperform

-  AC tune-up
-  Appliance recycling
-  Project management
-  Building performance



# Residential Program Categories That Consistently Underperform



Custom incentives



Energy analysis



Education and awareness

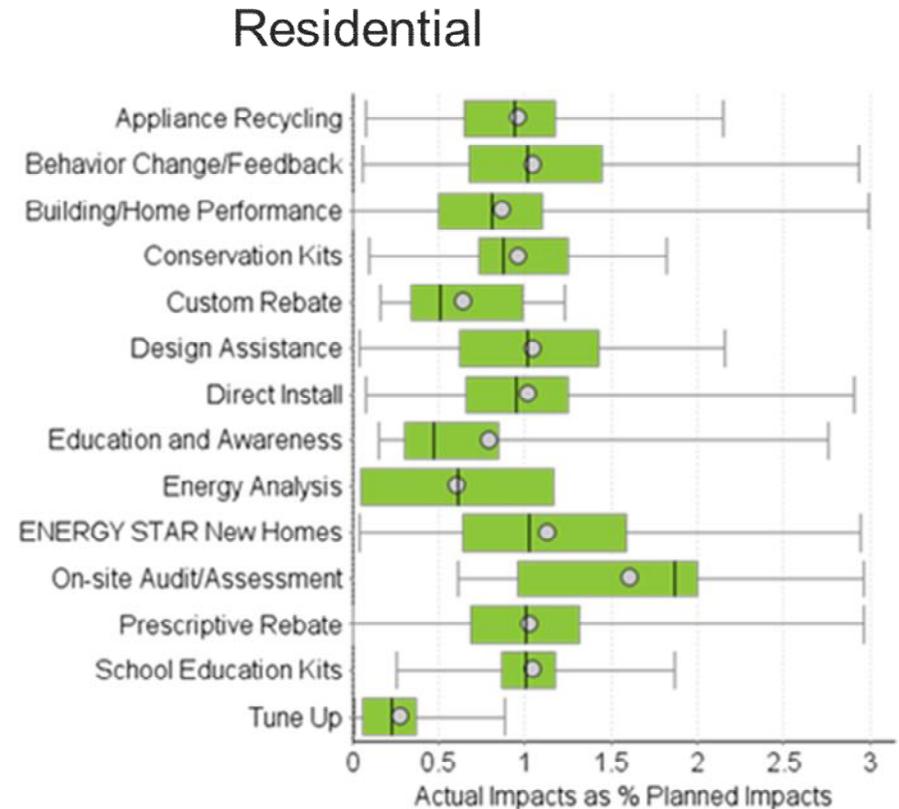
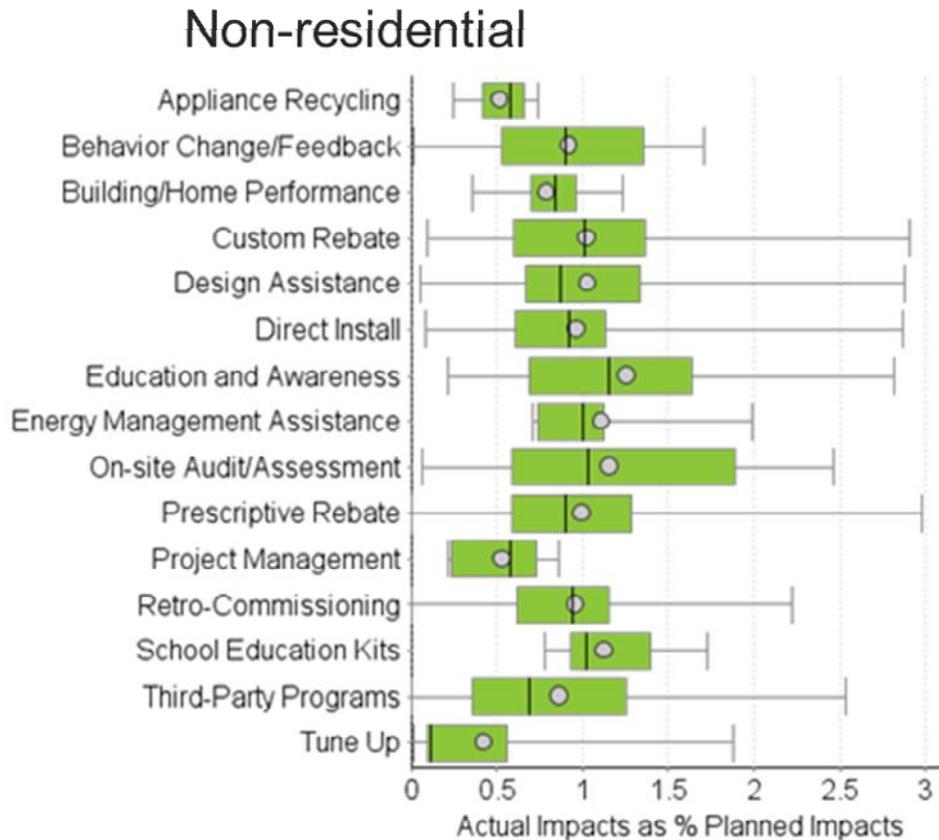


Home performance (gas)

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# Performance by Program Category (Electric)

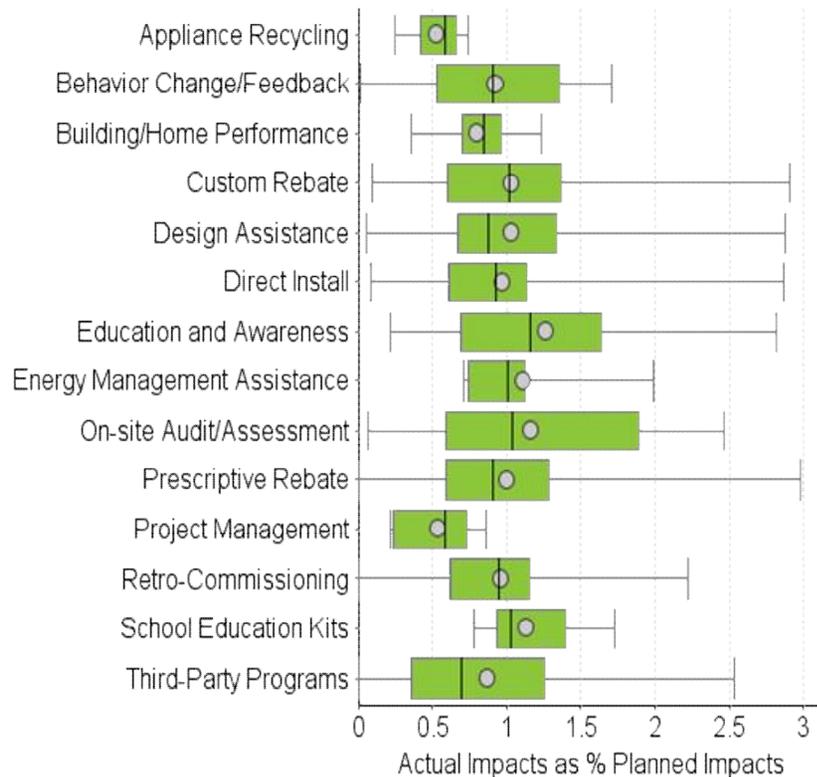


Source: E Source, DSM Insights, 2015

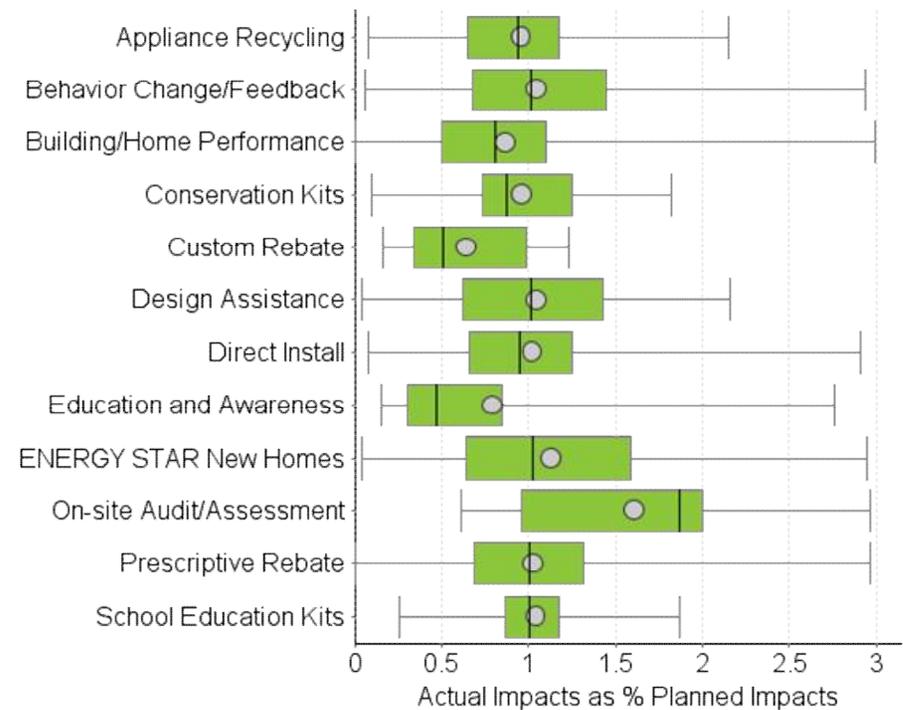


# Performance by Program Category (Gas)

## Non-residential



## Residential



Source: E Source, DSM Insights, 2015

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# What's the Common Thread?



Source: iStockphoto



# Are We Asking Too Much?



# What's Next?



# What's Next? Questions You Pondered For Past 15 Minutes



# Future Research Considerations



Insights on goals, goal-setting

% change in goals over time vs. performance

What % of savings come from underperforming programs?

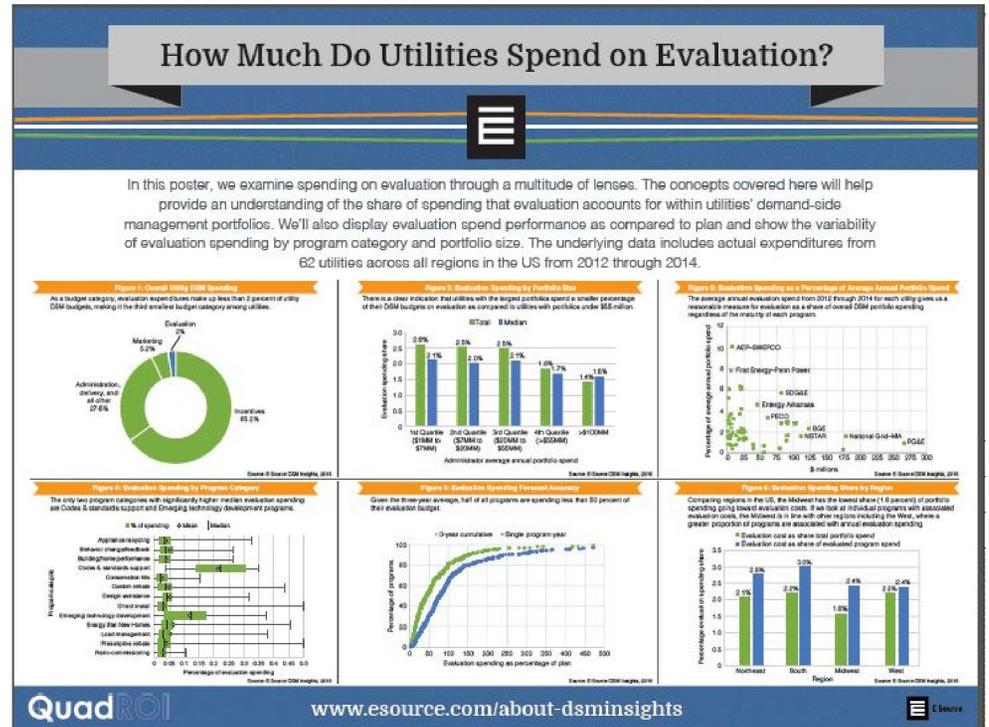
Percentage of portfolios with these types of programs



Be more positive! Look at overachievers. Who is best overall performer? How do we understand their success?



# Discussion and More Information



[www.esource.com/about-dsminsights](http://www.esource.com/about-dsminsights)

# Contact Us



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