

Workpaper Selection Process and Criteria

September 25th, 2014

Presented to: The California Technical Forum

Presented by: Anthony Hernandez, Manager,
New Product Development and Launch Department,
Southern California Edison

Agenda

- ▶ Review the objective and process of this exercise (Annette)
- ▶ Outline gating & governance process that is employed by SCE's NPLD team
- ▶ Focus on the criteria that the NPD team uses for evaluation, selection, and prioritization
- ▶ Discuss how this process could be applied to CalTF workpaper development

Building a Standardized Process

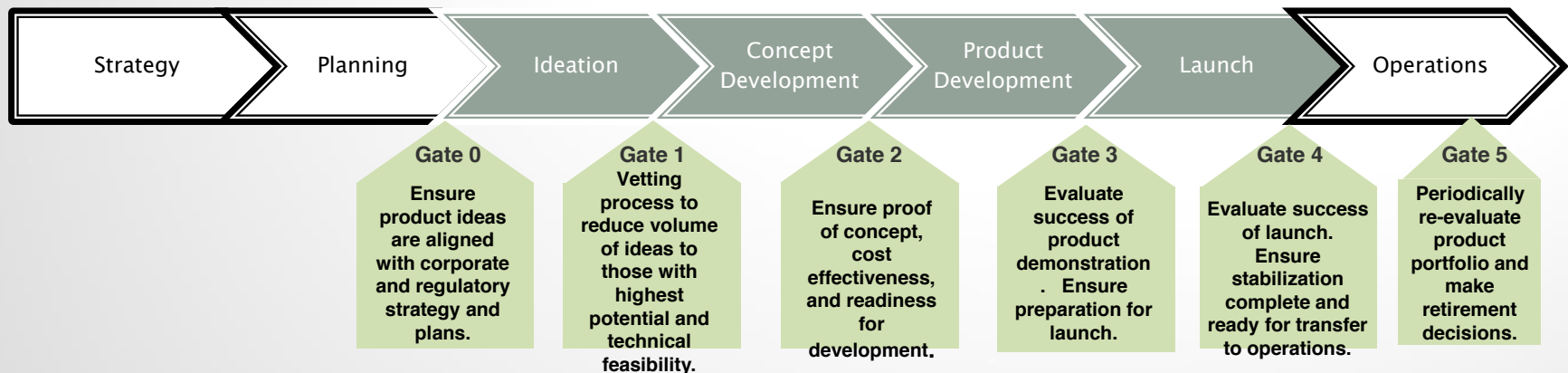
Portfolio Governance Benefits:

- Enables **alignment to strategic goals** and objectives
- Creates **uniform method and transparency** of intake and evaluation
- **Communicates** other departments in SCE to understand upcoming launches and their impacts and prepare appropriately
- Enables gate **management** through the product development life-cycle
- Allows **SCE to track** to goal based launches



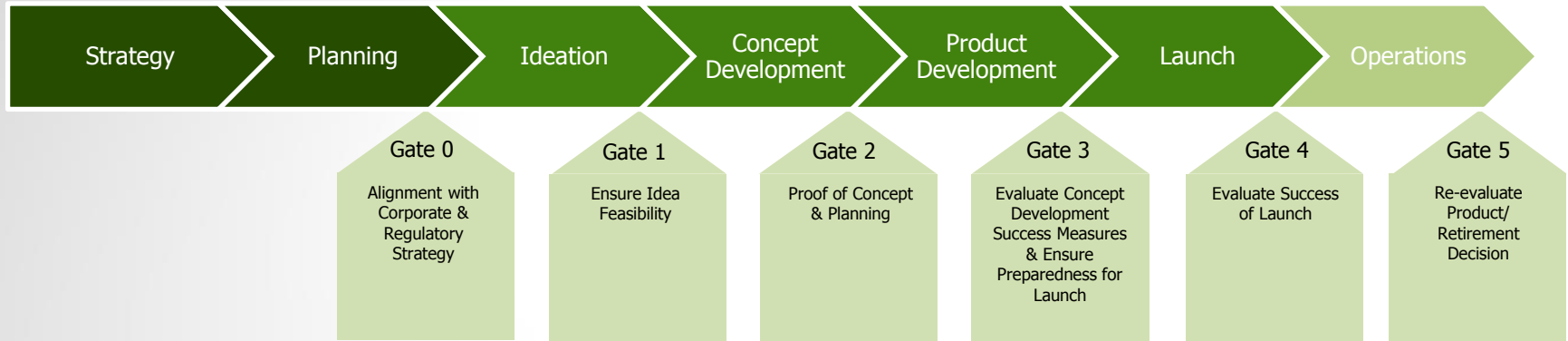
Product = an offering to customers that may include tools, technologies, programs & services

Standard Product Development Life-Cycle



- The standard product development life-cycle provides **classic stage gate process** driven by statistical data and clear strategic value.
- Functional Integration - Strategically focused product development lifecycle requires broad view and integration with a large number of internal and enterprise functions including Product Management, Technology Management, Policy Management, Project Management, Change Management, Marketing & Communications, etc. This will **ensure cross functional alignment** moving away from silo'd initiatives.

SCE Evaluation, Selection and Prioritization Criteria



Evaluation Criteria



Business Priority

- Corporate Goals Alignment
- Business Play Alignment
- Regulatory Compliance

Budget & Benefits

- Market Size (TAM)
- Energy Savings Potential
- Other Benefits (Cust Sat, Societal)
- Cost Analysis/Cost Effectiveness

Organizational Capacity

- Staff Bandwidth
- Partners/Vendor Capability
- Process Impact

Technology Risk

- Technology/Vendor Maturity
- Ease of Project Implementation
- Technology Fit

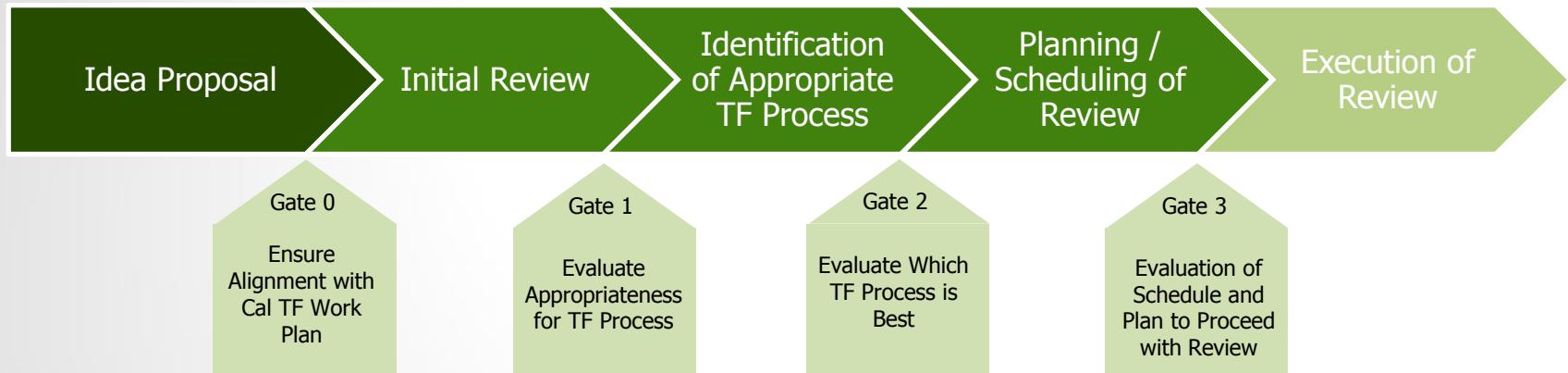
DSM - Specific Criteria

- **Cost per MW saved**
- **Cost per MWh saved**

Non-DSM - Specific Criteria

- Customer Satisfaction and Engagement (ie JD Power)
- Enable future improved customer satisfaction

Proposed Cal TF Evaluation, Selection and Prioritization Criteria



Evaluation Criteria

Cal TF Work Plan Alignment

- New deemed measures
- Existing deemed measures
- Statewide Relevance

Appropriateness for TF Process/Review

- Energy savings potential
- Cumulative market potential
- Cumulative DSM potential
- Cost effectiveness potential
- TF Technical Expertise
- Political Sensitivity
- Aligns with CA Long Term Strategic Plan
- Customer comprehensiveness

Selecting TF Process

- Technical difficulty
- Level of Innovation
- Complexity
- Urgency

Scheduling

- Timeframe
- Existing workload
- Member Availability

•TF Feedback Requested:

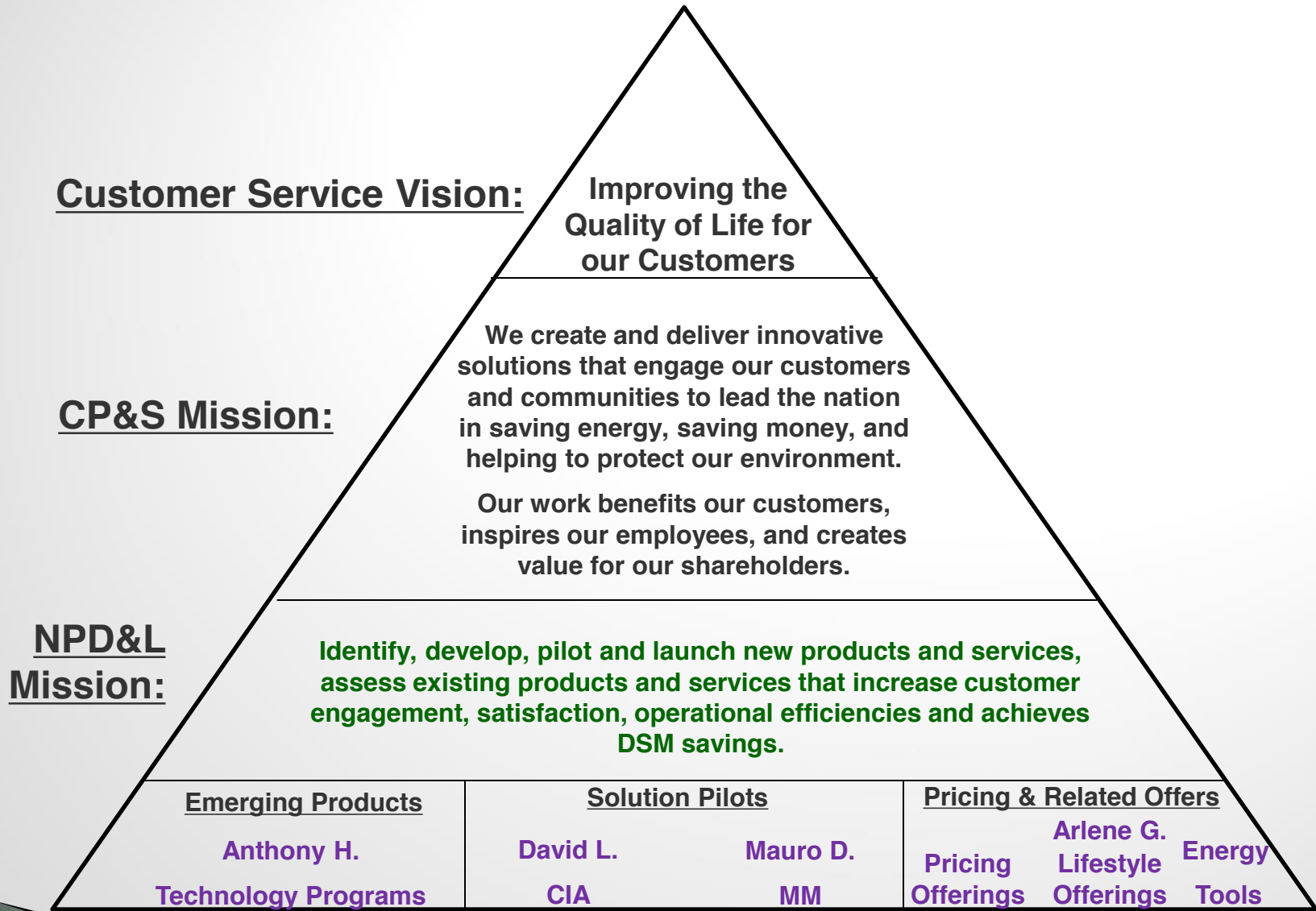
- Other evaluation criteria?
- Which criteria are most important (for weighting)?
- How to meet the needs of all stakeholders (POUs, IOUs, etc.)?

Discussion...

Backup Material



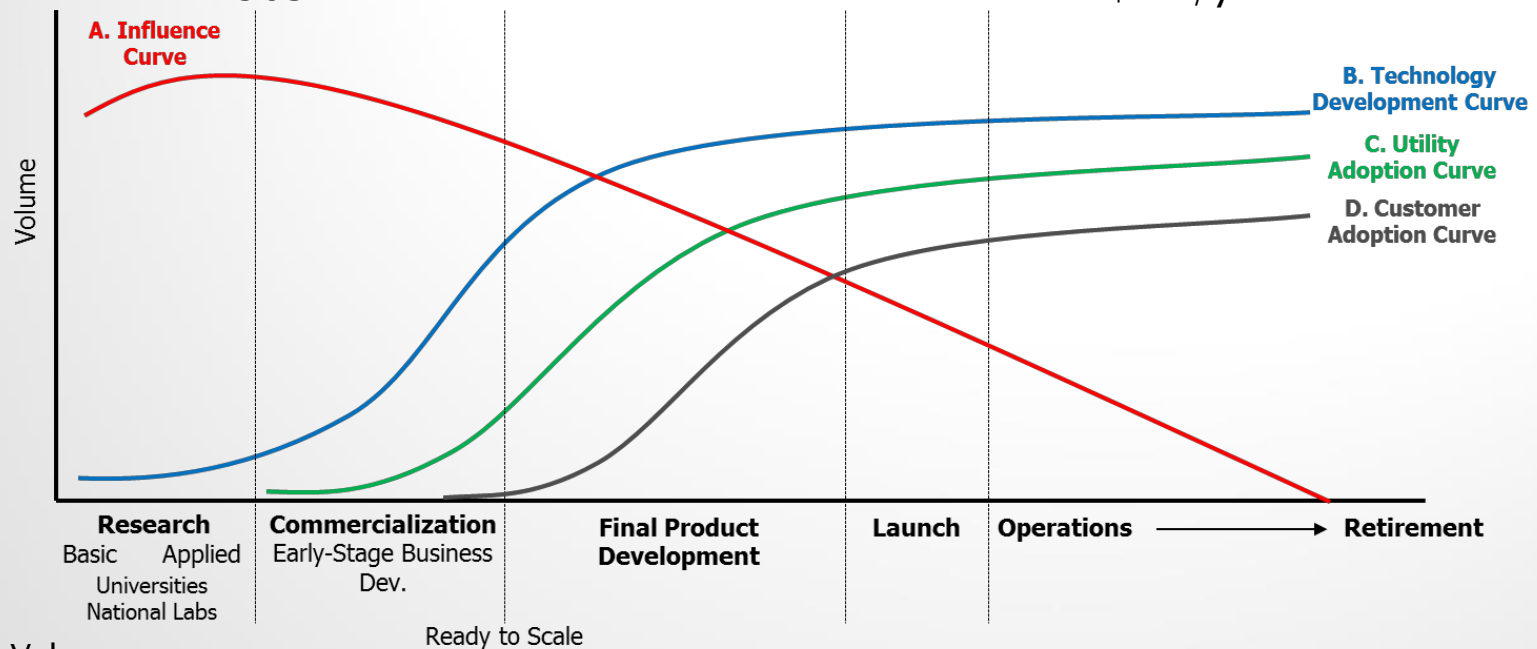
Background: Who is NPDL?



Background: Emerging Products

► Purpose: Manage authorized Demand Side Management (DSM) technology programs:

- Emerging Technologies (ET) ~\$6M/yr
- Emerging Markets & Technology (EM&T) ~\$4M/yr
- IDEEA 365 ~\$4M/yr

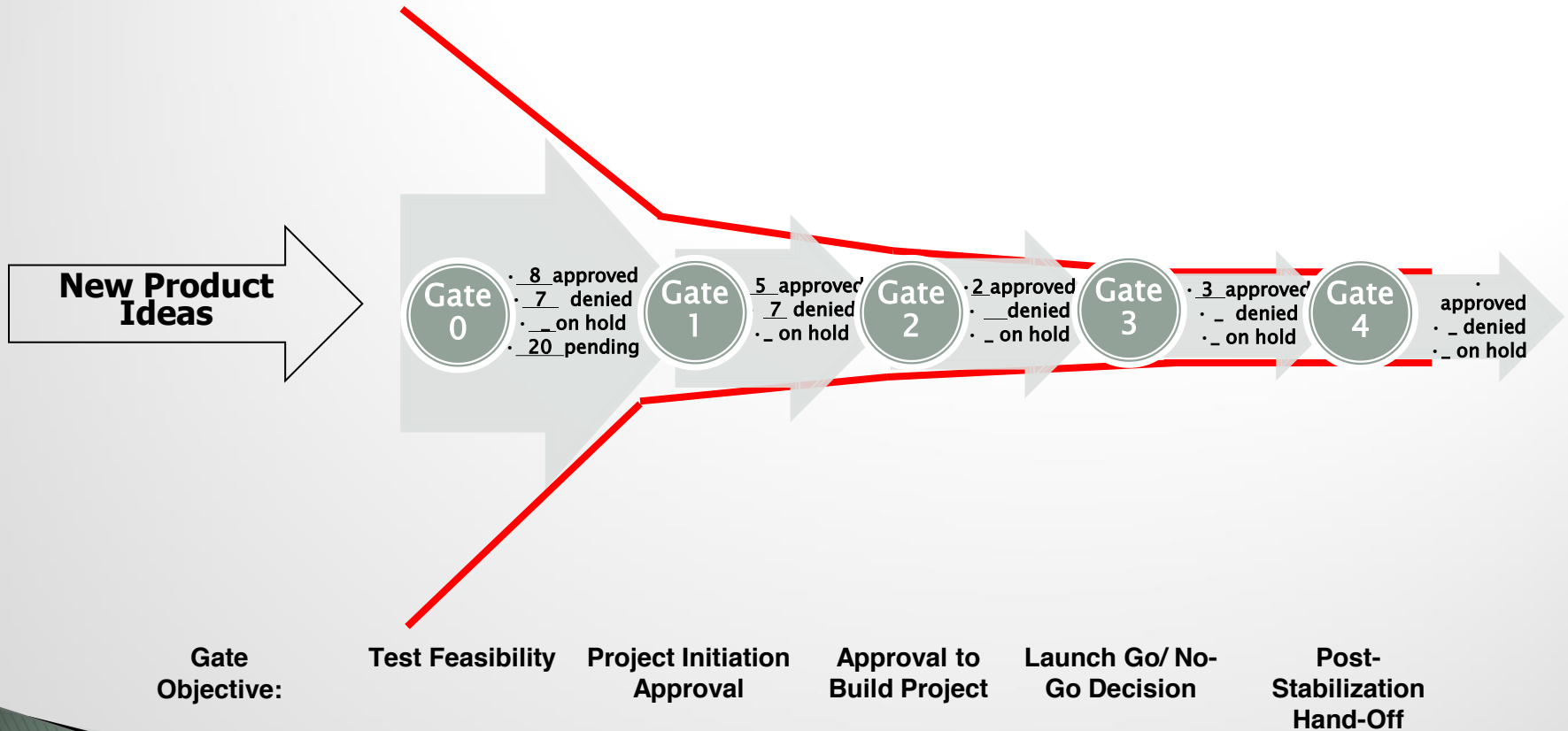


•Value:

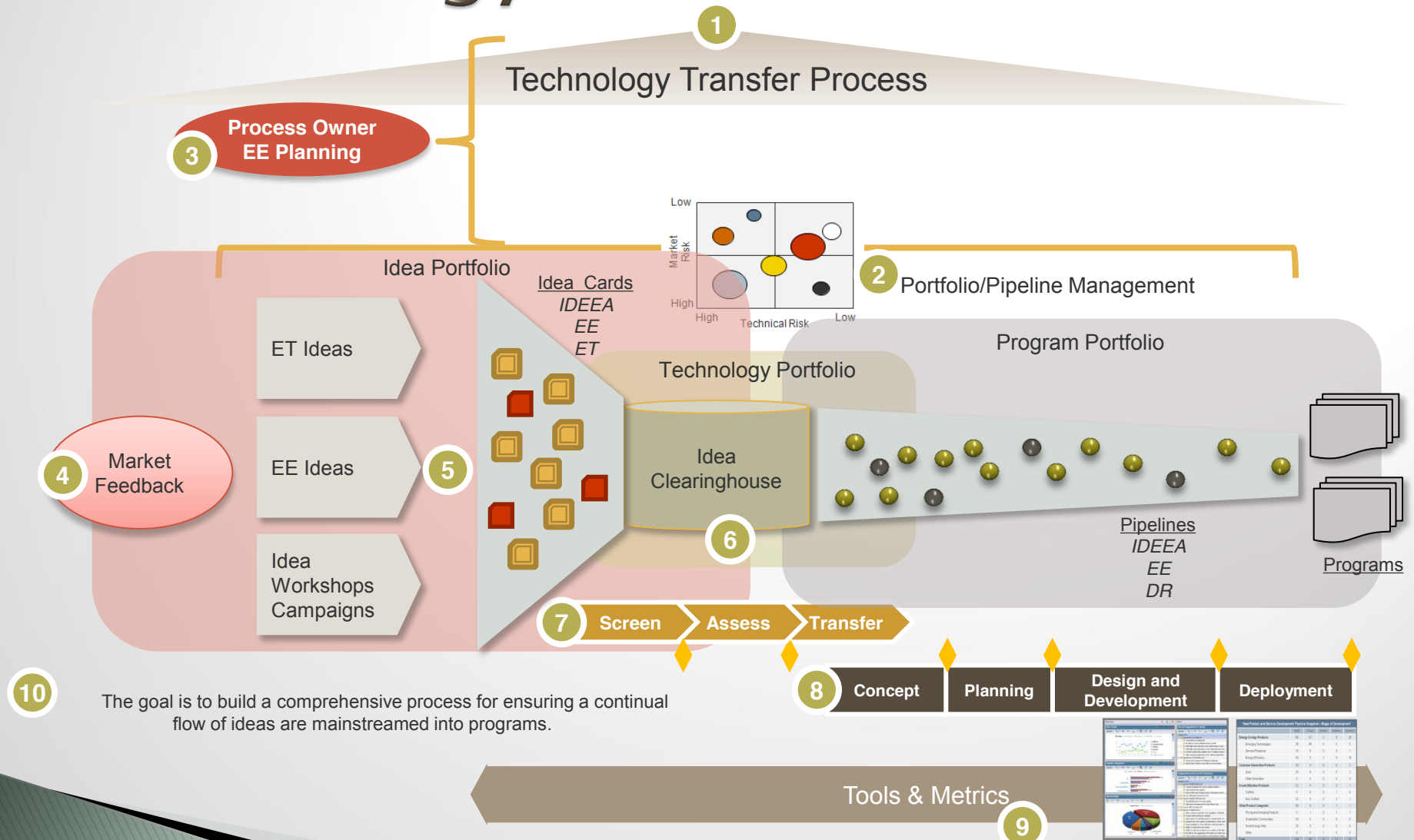
- Identification of technology to meet customer needs and IDSM operational goals
- Mitigate technology risk and utilize findings to recommend next steps
- Influence the marketplace to enhance technologies that meet customer and regulatory needs to support adoption

New Product Development and Launch

May 2014 Intake Pipeline




Technology Transfer Process



How do I submit an Idea?

- ▶ Submit inquiries:
DSMideas@sce.com
using the **Idea Proposal Form**.
- ▶ Internal and external parties may submit ideas by completing the required fields.
- ▶ Initiates idea review, selection, prioritization, and feedback.
- ▶ Depending on the type of request we may or may not recommend using this form.



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Idea Management Team
DSMideas@sce.com

Idea Proposal

This form is used to provide technical and market information essential for SCE's Idea Management Team to screen innovative technologies and ideas that have energy savings, demand reduction potential, address market needs in the DSM Portfolio, and/or align with the California Energy Efficiency Strategic Plan.

REQUESTOR INFORMATION:

Name:	Date:
Phone:	Email:
Company:	Website:

PROPOSAL ABSTRACT:

Idea Name:	Product Stage: Select from List
Primary Market: Select from List	Market Barrier: Select from List
Expected Outcome: Select from List	DSM Type: Select from List
Basic End Use: Select from List	Unit: Select from List
Energy Savings (kWh) per unit:	Demand Savings (kW) per unit:
Life Expectancy:	What does this replace?
MSRP(\$):	Installation Cost(\$):

IDEA DESCRIPTION:

1. Briefly describe technology and how it works. What current or past technology will it replace?
2. Specify and explain technology application(s): Select from List
3. How is this new or different?
4. How will this idea save energy?
5. Can the technology respond to and receive price signals or demand response events?
6. Does the technology encourage conservation behavior (provide customer information on electricity usage or cost)?
7. What are the potential challenges and complications?

Strategic Planning & Technical Services
IMT Idea Proposal Rev. 3.0

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