



Subcommittee Summary: Ex Ante Improvements / Alternatives

Subcommittee	Subcommittee Name Here
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Final Deliverable(s)	"Ex Ante Alternatives" Memo and Presentation
Commencement Date	June 2015
Conclusion Date	November 2015

I. Subcommittee Objective

The purpose of the subcommittee is to produce a White Paper and accompanying PowerPoint Presentation for the Cal TF Policy Advisory Committee November meeting that characterizes the current state of ex ante value development in California, as embodied in DEER and non-DEER workpapers, and compares it to ex ante value development practices in other jurisdictions. The white paper will consider whether DEER and non-DEER workpapers should be "fixed" and continue to be used, or replaced by an alternative. In the case the subcommittee recommends an alternative, the work will make concrete recommendations about the best alternative available.

II. Description of Issues

The following information should be addressed by the subcommittee:

1. DEER Objectives –
 - What is purpose of DEER?
 - Who uses DEER?
 - What is DEER used for?
2. Summary of Commission Guidance on DEER and Ex Ante Value Development
 - Summary of and reference to A. Mejia memos
 - Ongoing task: Track divergence between Commission guidance and implementation
3. History of DEER
 - Summary of and reference to A. Mejia memos



- Describe process, details of simplicity in earlier cycles
- 4. Current State of Ex Ante Value Development in California
 - Explanation of DEER and non-DEER workpapers
 - DEER
 - i. What information/measures are in DEER?
 - ii. Structure and usability of DEER
 - iii. Process for developing/updating values in DEER
 - Reference A. Beitel memo on APS EULs
 - iv. Other observations—flow chart and narrative of structure, percentages of savings, accuracy vs. precision, barrier to entry for new implementers/administrators
 - Non-DEER WP
 - i. What information/measures are contained in non-DEER WP?
 - ii. Structure/location of non-DEER WP
 - iii. Process for developing/updating values in DEER
 - iv. Other observations
 - DEER, non-DEER WP and Reporting
- 5. Ex Ante Value Development in Other States
 - What information/measures contained in TRMs in other states?
 - TRM Structure
 - Process for developing/updating values in other TRMs
- 6. Can the framework of DEER/non-DEER WP be “fixed”?
- 7. Evaluation criteria
 - Based on work to date, create matrix of evaluation criteria:
 - Impact on engineering, reporting, implementation, data (quality, accuracy), EM&V, transparency, cost, timeline (need to get things done by a deadline) and predictability, accessibility, comprehensiveness, QA/QC—try to ground in Commission language
- 8. Options
 - Option 1: Fix DEER and non-DEER WP
 - Look back to 2003-2004 frameworks—What we used to be able to do? Is it possible to get back there?
 - Option 2: Develop non-DEER statewide electronic TRM
 - For each option:
 - i. Create business case; include resources currently spent on DEER (engineers to customer acquisition/program development to reporting).
 - ii. Characterize process (updating plan), structure, and content.
- 9. “Thinking Outside the Box”
 - What would optimal approach be to forecasting and measuring EE savings if DEER and DOE 2.2, EQUEST and EnergyPlus did not exist?
 - Consider current modeling dependency—look at tools like Edison’s old Book of Standards
- 10. Conclusion and Recommendation
 - Implementation recommendations



III. Background information

See presentations given to TF and PAC:

Annette Beitel, *Ex Ante Value Development: Current Practice and Future Vision* (April 9, 2015 - PAC Presentation) (April 23, 2015 - TF Presentation). Both are posted on the Cal TF website: www.CalTF.org.

IV. Schedule

Date	Agenda	Next Steps
June 18, 2015	<ul style="list-style-type: none"> • Overview of abstract • Agreement on Objectives • Agreement on Issues • Agreement on number of meeting to hold • Discussion 	Update Subcommittee Plan
July 2, 2015	<ul style="list-style-type: none"> • Presentation on: <ol style="list-style-type: none"> 1. DEER Objectives – <ol style="list-style-type: none"> a. What is purpose of DEER? b. Who uses DEER? c. What is DEER used for? (incl. reporting) 2. Summary of Commission Guidance on DEER and Ex Ante Value Development <ol style="list-style-type: none"> a. Summary of and reference to A. Mejia memos 3. History of DEER <ol style="list-style-type: none"> a. Summary of and reference to A. Mejia memos • Review high level framing document 	TF Feedback <ul style="list-style-type: none"> • Should CA change DEER/non-DEER WP objectives and/or uses? • Should CA have two separate “systems” for ex ante value development (DEER and non-DEER WP) • Agreement on high level framing goals
July 16, 2015	<ul style="list-style-type: none"> • Presentation on current state of ex ante value development in California <ul style="list-style-type: none"> ○ DEER 	Subcommittee Feedback: <ul style="list-style-type: none"> • How does the current state compare to the stated objectives?



	<ul style="list-style-type: none"> ○ Non-DEER WPs 	
August 6, 2015	<ul style="list-style-type: none"> • Presentation of observations and findings from other jurisdictions <ul style="list-style-type: none"> ○ What information/measures are contained in TRMs in other states? ○ TRM Structure ○ Process for developing/updating values in other TRMs 	Subcommittee Feedback <ul style="list-style-type: none"> • Any other information Cal TF staff did not capture? • Comments on other state practices.
September 3, 2015	<ul style="list-style-type: none"> • Memo and presentation on Ex Ante Value Development Best Practices 	Subcommittee Feedback <ul style="list-style-type: none"> • Modifications/additions to “Best Practices” identified
September 17, 2015	<ul style="list-style-type: none"> • Presentation: Can DEER be fixed? • Evaluation Criteria • Business case for sticking with DEER vs. Developing Alternatives 	Subcommittee Feedback <ul style="list-style-type: none"> • Decide on evaluation criteria • Should DEER be fixed or should an alternative be developed? • If alternative developed, key attributes?
October 1, 2015	<ul style="list-style-type: none"> • Presentation: Non-DEER alternatives <ul style="list-style-type: none"> ○ Structure ○ Form (hard copy/electronic) ○ Update Process ○ Acceptable methods for developing ex ante values (from Ex Ante Value Development subcommittee) 	Subcommittee Feedback <ul style="list-style-type: none"> • Should DEER be fixed or should an alternative be developed? • If alternative developed, key attributes?



October 15, 2015	<ul style="list-style-type: none"> • Presentation "Thinking Outside the Box" (George Hernandez) 	Subcommittee Feedback <ul style="list-style-type: none"> • Statewide TRM or break open paradigm
November 5, 2015	Review First Draft White paper and Presentation	Subcommittee Feedback on White Paper/Presentation
November 19, 2015	Review final White Paper and presentation for TF	<ul style="list-style-type: none"> • Subcommittee Feedback on White Paper/Presentation • Incorporate TF Feedback on same
	Review final White Paper and presentation to PAC <ul style="list-style-type: none"> • 12/10/15 (PAC Meeting) 	Subcommittee Feedback on White Paper/Presentation

V. Attachments

Annette Beitel, *Ex Ante Value Development: Current Practice and Future Vision* (April 9, 2015 - PAC Presentation)(April 23, 2015 - TF Presentation).