



Rapporteur Report – Group D

**Institutional Arrangements –
Seeking Middle Ground
Ursula Schryver, APPA**

Group Composition

- 13
- 4 Energy Providers
- 1 Government
- 2 Regulators
- 1 Consumer advocates
- 4 Energy efficiency industry
- 1 Academics and NGOs

Summary of Presentations

- Overview: Administrative Structures for Utility Customer Energy Efficiency Programs in the United States (Dan York, ACEEE)
- Institutional Arrangements for Delivering Energy Efficiency (Sue Coakley, NEEP)
- Energy Trust of Oregon Model (Margie Harris)

Summary of Interventions

- If you are going to have a successful program you need to support the utility business model
- 3 issues are important – cost recovery, addressing lost margins, having incentives to develop good programs
- Hybrid approaches are in use – utility delivers programs they do best, outsources programs others can do better

Summary of Interventions

- Each state is different – in some states there is no policy support or consistent policy – they may benefit from a state-wide program
- Politics drive many of the decisions, treating energy efficiency as a resource may help
- Need a stable policy which may include – incentives, decoupling, rate design, stability of rules, recognition of political realities
- Need a robust, protected and consistent funding source
- Need time and patience to get programs implemented

Group Discussion Highlights

- Any model can work
- There are pros and cons to each
- Solutions defined by local and unique circumstances
 - Size
 - Scale
 - Political situation
 - Cost of energy
 - Existing institutions
- Need a stable framework with the ability to evolve

Areas of Agreement

- No one model works best
- Attributes of successful institution arrangements
 - Committed leadership
 - Stable and supportive policy and implementation environment
 - Stable and protected funding
 - State-wide framework with innovation and flexibility
 - Performance-based with flexibility and incentives
 - Data access, tracking and evaluation

Areas of Agreement

- Attributes of successful institutional arrangements
 - Flexibility – nimbleness, responsiveness and innovation
 - Streamlining – making ongoing internal improvements to gain operational efficiency
 - A balanced portfolio – short and long term investment and diversity
 - Engagement with market actors, trade allies and community partnerships to build infrastructure/capacity
 - Demonstrated customer value
 - Customer education
- Need balance of EM&V

Areas of Disagreement

- No areas of disagreement among the group but others may say that the market should handle this – manufacturers, retailers, etc.

Areas for Further Policy Research

- How to justify investments in behavioral or operational strategies
- Definitions of cost effectiveness
- EM&V balance – what is the appropriate balance?
- To what extent the learnings in the US would be applicable to other areas
- Sharing of best practices

Conclusions and Next Steps