

**Proposed Council (EEAC) Work Plan and Schedule for
August through October 2009**
Draft, July 28, 2009

Summary of the current situation:

The PA-proposed savings, benefits, and costs are a current snapshot, based on the best available data at this time. Key drivers to program savings and costs will be changing over the next months. The avoided costs from the 2009 study (the report is being finalized now) need to be used in the analysis for the 2010-2012 plans, and the bill impact analysis and scenarios need to be completed. As a result, the proposed savings, costs, and other numerical data set forth in the July 16 Plans are preliminary.

Significant progress has been made on the programs and program descriptions, and the roadmaps and “to do” lists in the July 16 plans indicate that the program development is on the right track. However, there are some important program issues to resolve, and some of the program design considerations also impact the program costs and savings (e.g., the level of customer financial incentives, the amount of outside capital used to support on-bill financing, etc.).

Therefore, the voting councilors expect to review another draft of the statewide plans, and to take final action on such updated and final statewide plans, prior to filing with the DPU in October.

At the same time, continued preparation and production of multiple drafts of the full statewide plans (electric and gas) requires significant resources.

EEAC Consultant Recommendation:

In a nutshell, develop the final draft statewide plans in modules, rather than developing multiple drafts of the plans (next drafts in mid-September and then final drafts in mid-October).

1. The PAs would develop each component of the final statewide plans according to a logical and sequential schedule – as components or modules of the plans.
2. The Council would review and take preliminary action on each component in sequence, according to the schedule (the schedule, as noted below, would explicitly coordinate some of the integrated analyses and address the related components in the same time period). This approach would help to manage the Council work load and focus Council review by addressing (and taking preliminary action on) some issues and components in sequence, enabling the Council to focus on a smaller number of remaining issues as the Council works through the schedule.
3. The PAs would compile the plan components or modules into a final draft of the statewide plans by mid-October. These final drafts (electric and gas) would be compilations of the components of the plans, more or less like adding sections of the plans to a 3-ring notebook to comprise the full and complete statewide plans.
4. The Council would take final action on the compiled and complete statewide plans in late October.

This approach is likely to be more effective and less time consuming, with resources focused on the plan components and the crucial issues to address, rather than on developing yet another draft of the plans in mid-September, and then a final draft of the statewide plans in mid-October.

Below is an initial outline of this concept, for Council review. If the Council adopts this approach in concept, DOER and the EEAC consultants will work with the PAs to develop a final schedule for Council review.

Component	Documents from PAs and/or Consultants	Council Review and Discussion	Council Action
Evaluation, Measurement, Verification (EM&V)	Aug. 4	Aug. 11	Aug. 25
Performance Incentives for the Program Administrators	Aug. 18	Aug. 25	Sept. 8
Program Design Considerations Impacting Savings and Costs*	Aug. 18 Sept. 1	Aug. 25 Sept. 8	Sept. 8
Revised Benefit-Cost Analysis with 2009 Avoided Cost Values	Sept. 1 (Res. lighting lagged)**	Sept. 8	Sept. 22
Bill Impact Analysis Including the Scenario Analyses	Sept. 1 (Res. lighting effects lagged)		
Savings Levels and Savings Goals	Sept. 1 Sept. 15 (Revised, with Res. lighting updated)		
Analysis of Deep Savings for Customers	Sept. 1	Sept. 8	Sept 22
Program Descriptions	Sept. 15	Sept. 22	Oct. 13
Final Draft of Statewide Plans	Oct. 9	Oct. 13 (with PA briefing?)	Oct. 27

* Program design considerations such as the level and nature of the financial incentives (rebates), on-bill financing, and the amount of outside capital and other funding, among others.

** The most recent Residential Lighting evaluation results, which are crucial, will not be available until early September.