



COST-EFFECTIVENESS WORKING GROUP MEETING 4/18/22

Agenda

- 1. Review and discuss CE policy issues raised in recently-filed EE Business Plans**

Meeting Notes

Here's the [link](#) to our EE Business Plan comments filed on 4/15.

Comments that potentially affect cost effectiveness include:

- Improve the CET—Modifications, Funding Increase, and Governance Process
- Include NEBs as a Program Metric
- Revisit the Cost-Effectiveness Test Perspective
- Revisit Net-to-Gross Use

What did other parties say about CE-related issues?

Granularity of loads is important, which has a big impact on CE of measures, rather than using averages which tend to make certain EE measures fail.

NEBs run a risk of inclusion of a wide array of categories and could be a slippery slope.

- Dan V noted that NYSERDA has been addressing NEBs for several years.
- ESA has done a fair amount of work on NEBs
- P&G study took a look at NEBs for addressing market uptake

We need to pick the battles that we should be fighting; NEBs might be a slippery slope for us.

- NYSERDA did some narrowing of technical issues and came up with a credible approach
- We would need to make a credible argument that NEBs make up X% of the benefit stream
- Is this worth our time and effort?
- Do we want to put some effort into understanding this? Perhaps the industry could put together a white paper

The potential undercounting of avoided costs is a much bigger issue that we might want to focus our attention on in the future.

On the NTG issue, perhaps another angle that we could take is to live with default NTG values and let projects move through the process without a lot of extra scrutiny.

Dan V raises the question of spillover which may in fact have an equivalent effect vs. free ridership.

- This might have a big effect on Custom programs
- Spillover has an impact on Custom given that any specific projects are just part of the customer's EE journey

We might want to call NEBs something else like *other program impacts* (OPIs)..this came from some recent work from Synapse Energy Economics in the Northeast.

Next Meeting

Our next Working Group meeting will be on May 16, 2022 at 2-3pm. However, if there aren't any new CE developments, we will cancel the meeting a few hours before the meeting.

Meeting coordinates are as follows:

[Zoom Link](#)

Meeting ID: 839 7593 2727

Call in: +13126266799,,83975932727#