U.S. Department of Energy Smart Grid Investment Grant Technical Advisory Group Guidance Document #8

Topic: TAG and Recipient Engagement Strategy Post-CBSP Approval

February 24, 2011

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OBJECTIVE

This guidance document describes the engagement process for Technical Advisory Groups (TAG) with Smart Grid Investment Grant (SGIG) recipients who are undertaking a consumer behavior study following approval of the Consumer Behavior Study Plan (CBSP) by the U.S. Department of Energy (DOE).

BACKGROUND

During the period when recipients are developing their CBSPs, the TAGs are interacting with recipients on a relatively frequent basis. Once the CBSP is approved by DOE, the optimal frequency of TAG interactions with the SGIG utility recipient team will vary, depending upon the stage of project implementation (e.g., from the regulatory or board approval process to field implementation to project evaluation). We encourage the TAGs and the recipients to continue an open and vigorous exchange of ideas to surface issues and discuss potential remedies in a timely fashion.

The purpose of communication between TAGs and grant recipients post-CBSP approval is two-fold:

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* The following individuals on the Lawrence Berkeley National Laboratory Technical Advisory Group (TAG) drafted and/or provided input and comments on one or more of the U.S. Department of Energy Smart Grid Investment Grant (SGIG) Technical Advisory Group Guidance Documents: Peter Cappers, Andrew Satchwell and Charles Goldman (LBNL), Karen Herter (Herter Energy Research Solutions, Inc.), Roger Levy (Levy Associates), Theresa Flaim (Energy Resource Economics, LLC), Rich Scheer (Scheer Ventures, LLC), Lisa Schwartz (Regulatory Assistance Project), Richard Feinberg (Purdue University), Catherine Wolfram, Lucas Davis, Meredith Fowlie, and Severin Borenstein (University of California at Berkeley), Miriam Goldberg, Curt Puckett and Roger Wright (KEMA), Ahmad Faruqui, Sanem Sergici, and Ryan Hledik (Brattle Group), Michael Sullivan, Matt Mercurio, Michael Perry, Josh Bode, and Stephen George (Freeman, Sullivan & Company), Mary Sutter and Tami Buhr (Opinion Dynamics). In addition to the TAG members listed above, Bernie Neenan and Chris Holmes of the Electric Power Research Institute also provided comments.

(1) To provide opportunities for TAG assistance during critical periods in the course of the study to help ensure that the study will achieve its stated objectives; and

(2) To provide periodic status reports to LBNL (who will subsequently report to DOE) on how the consumer behavior study is progressing and to identify problems that have arisen and how they were, can or will be addressed.

POST-CBSP APPROVAL ENGAGEMENT PROCESS

To achieve these objectives, the TAGs will be adhering to the following engagement process:

1. **Ongoing interaction**: Regularly scheduled Status Update conference calls should be held between the TAG and recipient at least once every 3 months. The objectives for these Status Update conference calls are for the TAG to track how study implementation is progressing (including reviewing any revised timelines for project implementation), get an update on any regulatory or board proceedings that might affect the study, and provide assistance or feedback if the recipient identifies issues or concerns. Major issues or concerns arising between these regularly scheduled Status Update conference calls should be brought to the TAG's attention in a timely fashion.

2. **Study recruitment period**: During the period of recruiting customers to participate in the study when there is considerable risk to its overall integrity, the TAG and recipient should be in close communication; we suggest monthly calls. The objective is for the TAG to receive a high-level overview of how the study recruitment process is going (e.g., presentation, written talking points, or summary metrics). If the recipient identifies problems with the recruitment effort, the TAG should work with the recipient to address these concerns.

3. **Preliminary evaluation results:** During the study evaluation process, the TAG should have the opportunity to receive periodic briefings (e.g., presentation, written talking points, or summary metrics) by recipients on preliminary findings for both the interim and final evaluation efforts.[1] The TAG's focus will be in making sure the appropriate methods are being employed and to offer any guidance on how to resolve problems that may arise in the evaluation process (e.g., data quality issues, evaluation methods).

4. **Interim Evaluation Report[2]:** The TAG should have the opportunity to formally review a draft of the Interim Evaluation Report once the recipient (and/or their evaluation contractors) completes it. The TAG will provide written comments to the recipient on the draft Interim Evaluation Report, focusing on areas for improvement and concern,

[1] Recipients whose studies will last less than 12 months are not obliged to undertake an interim evaluation effort.

[2] Recipients whose studies will last less than 12 months are not obliged to prepare an Interim Evaluation Report.

and schedule a conference call to discuss issues. To the extent the recipient agrees and the TAG's comments can be readily incorporated, the recipient should make changes in the final version of the Interim Evaluation Report. Any remaining comments and concerns can be addressed by the recipient in their Final Evaluation Report.

In addition to the activities described above that are part of the ongoing TAG engagement process, there are additional opportunities for the TAG to provide guidance and assistance, if the recipient sees value. Specifically, these opportunities are:

- **TAG review of Evaluation Contractor RFP**: The TAG is available to review the recipient's draft RFP for the selection of an evaluation contractor, if one is to be used. The key elements the TAGs will look for in their review of the draft RFP are methods and analytical approaches that are consistent with the study's objectives, as discussed in the CBSP. If a recipient plans to select an evaluation contractor through an RFP process and requests TAG review prior to issuance, TAG members from firms that are considering responding to the RFP will recuse themselves from the review process.
- **TAG review of Evaluation Contractor Scope of Work**: After the recipient selects an evaluation contractor, the TAG is available to work with the recipient to review the evaluation contractor's proposed work plan. The TAG review will be narrowly focused on consistency of the proposed evaluation methods and approaches with the CBSP.