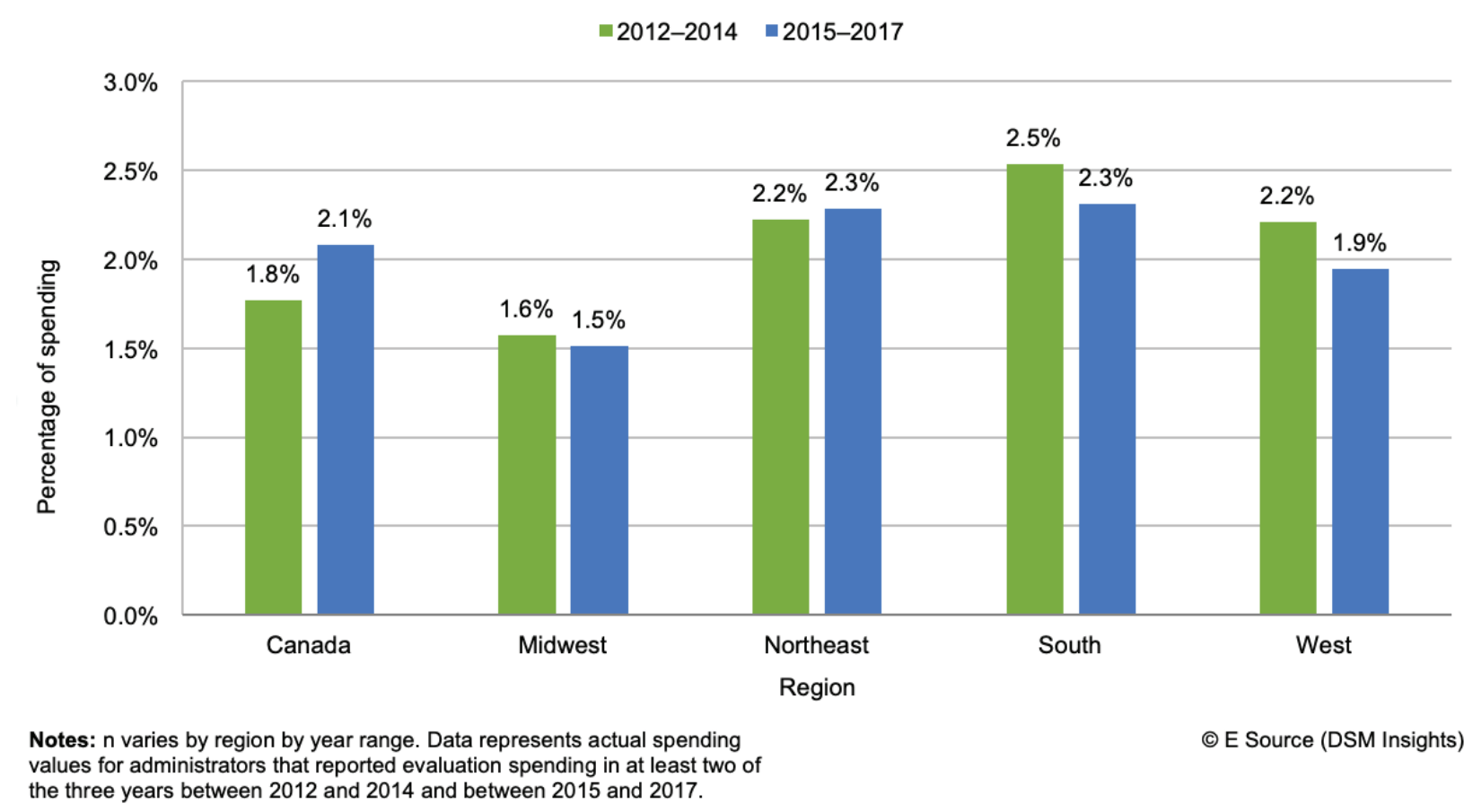


Utilities aren't spending much more or much less of their DSM budget on evaluation, but we're seeing less variation by region as the industry moves closer to a 2% average over time.

Figure 1: Average percentage of portfolios spent on evaluation by region over time



From 2012 to 2014, administrators with larger DSM budgets spent a smaller proportion of their budgets on evaluation than administrators with smaller budgets did. Between 2015 and 2017, this gap narrowed.

Figure 2: Administrator evaluation spending as a percentage of average annual portfolio spend (2012–2014)

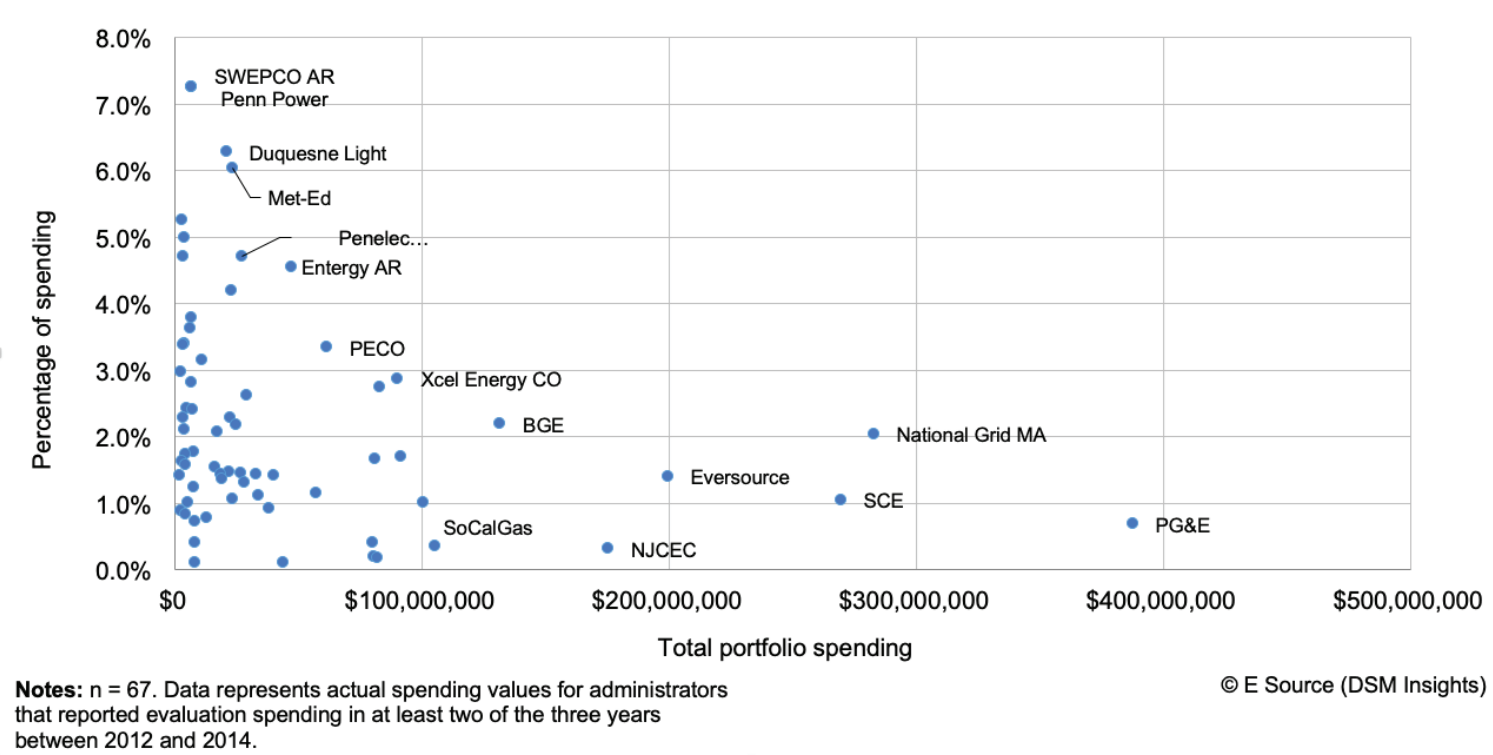
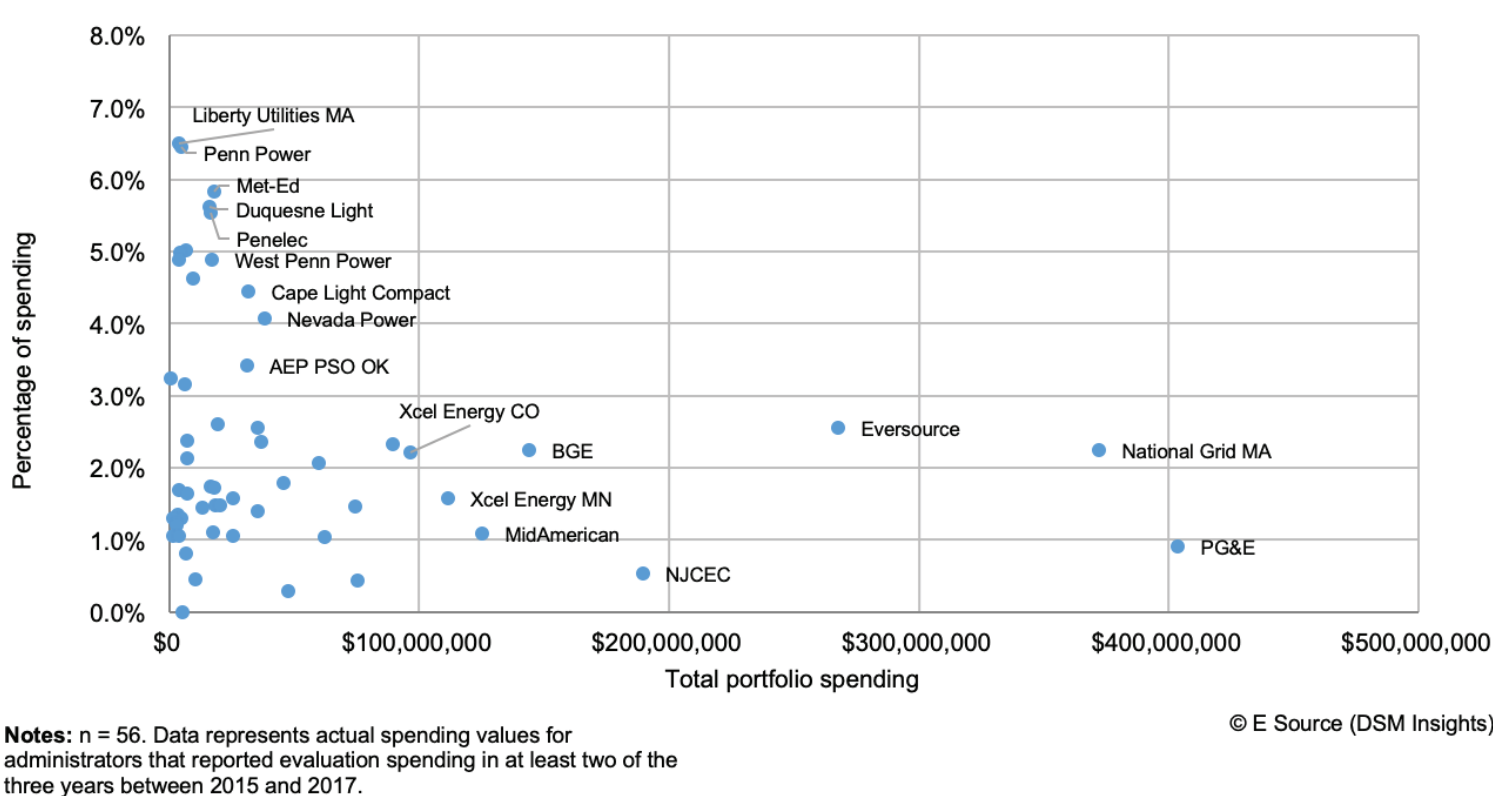


Figure 3: Administrator evaluation spending as a percentage of average annual portfolio spend (2015–2017)



In 2012–2014 and 2015–2017, administrators with larger DSM portfolio budgets spent a smaller proportion of their allotments on evaluation than administrators with smaller portfolios did. But the gap has narrowed over time and moved closer to an average of 2% spending.

Figure 4: Evaluation spending share versus portfolio size range (2012–2014)

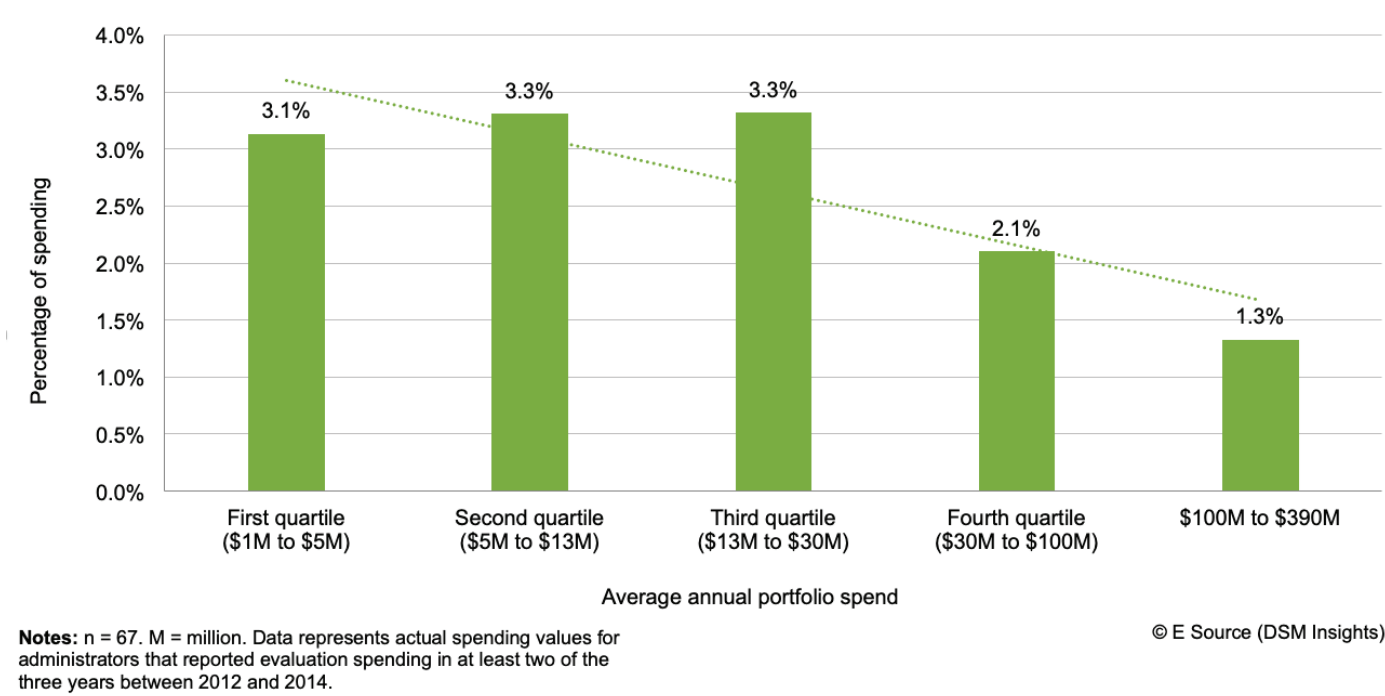
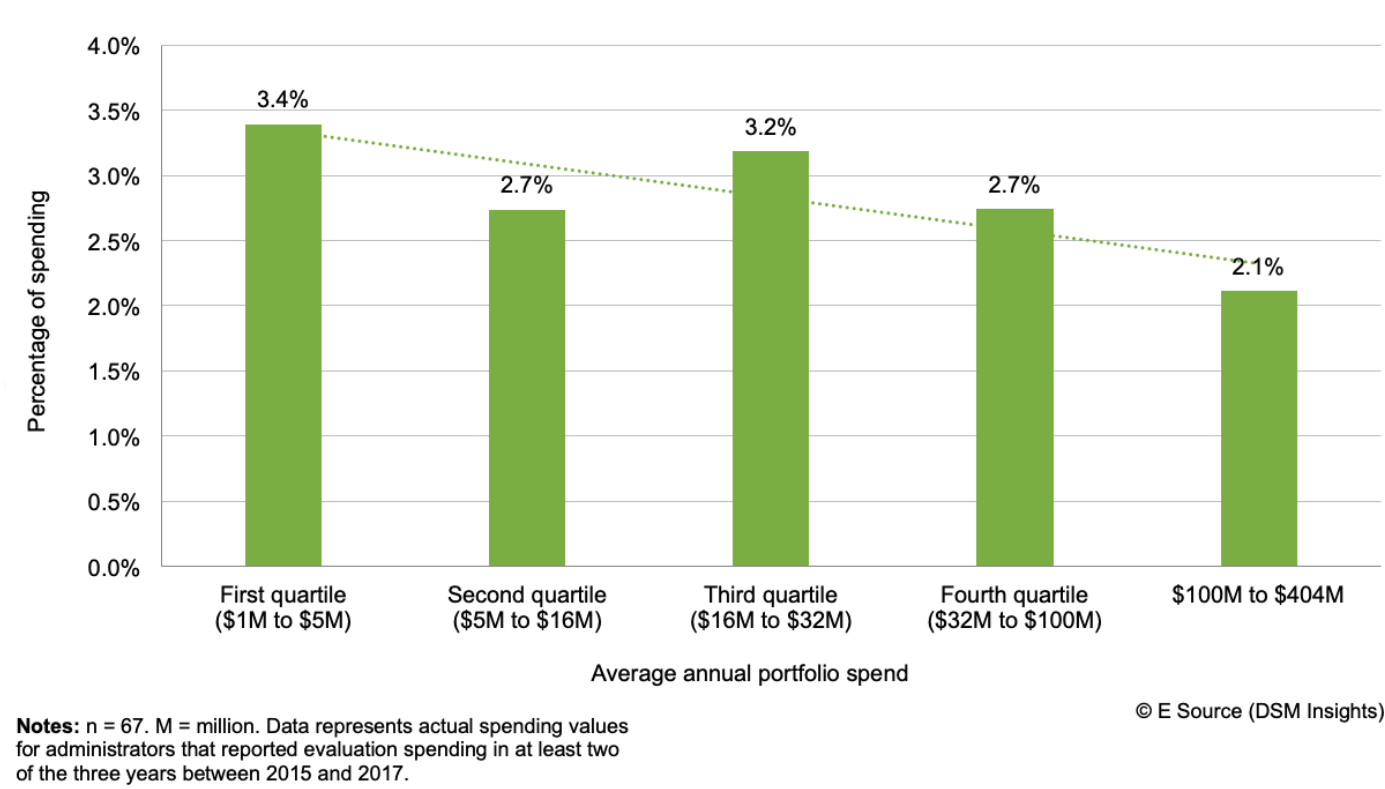


Figure 5: Evaluation spending share versus portfolio size range (2015–2017)



E Source

How much do utilities spend on evaluation?

Liza Minor
Data analyst, E Source

IEPEC 2019

OBJECTIVES

✓ Examine demand-side management (DSM) program administrator spending on evaluation over time.

✓ Provide an understanding of the share of spending that evaluation accounts for within administrators' DSM portfolios.

✓ Show the variability of evaluation spending by region, by administrator, by portfolio size, and by program category.

To make these connections, we used data from E Source DSM Insights, which includes actual expenditures from administrators across all regions in the US and Canada, and compares DSM evaluation spending trends between 2012 and 2014 and between 2015 and 2017.

The E Source DSM Insights tool contains data on DSM program goals, budgets, spending, and savings from DSM regulatory filings. The regularly updated database includes information on more than 7,000 programs run by 259 program administrators from 45 states and 7 provinces in the US and Canada.

KEY FINDINGS

1

There is less variation in administrator spending on DSM evaluation over time, and administrators are converging closer to the industry average of 2% portfolio spending.

2

Administrators with the largest DSM portfolios still spend a smaller proportion of budget on evaluation compared to smaller DSM portfolios, but this difference is getting smaller.

3

Energy Star new-home programs and design assistance programs still spend the largest proportion of budget on evaluation. School education kit programs have increased their DSM evaluation spending, while behavior programs have decreased theirs.

Energy Star new-home, design assistance, and behavior programs spent the greatest portion of budget on evaluation. Prescriptive rebate and direct-install programs spent the highest dollar amount on evaluation.

Figure 6: Percentage of average annual program spending on evaluation by program type (2012–2014)

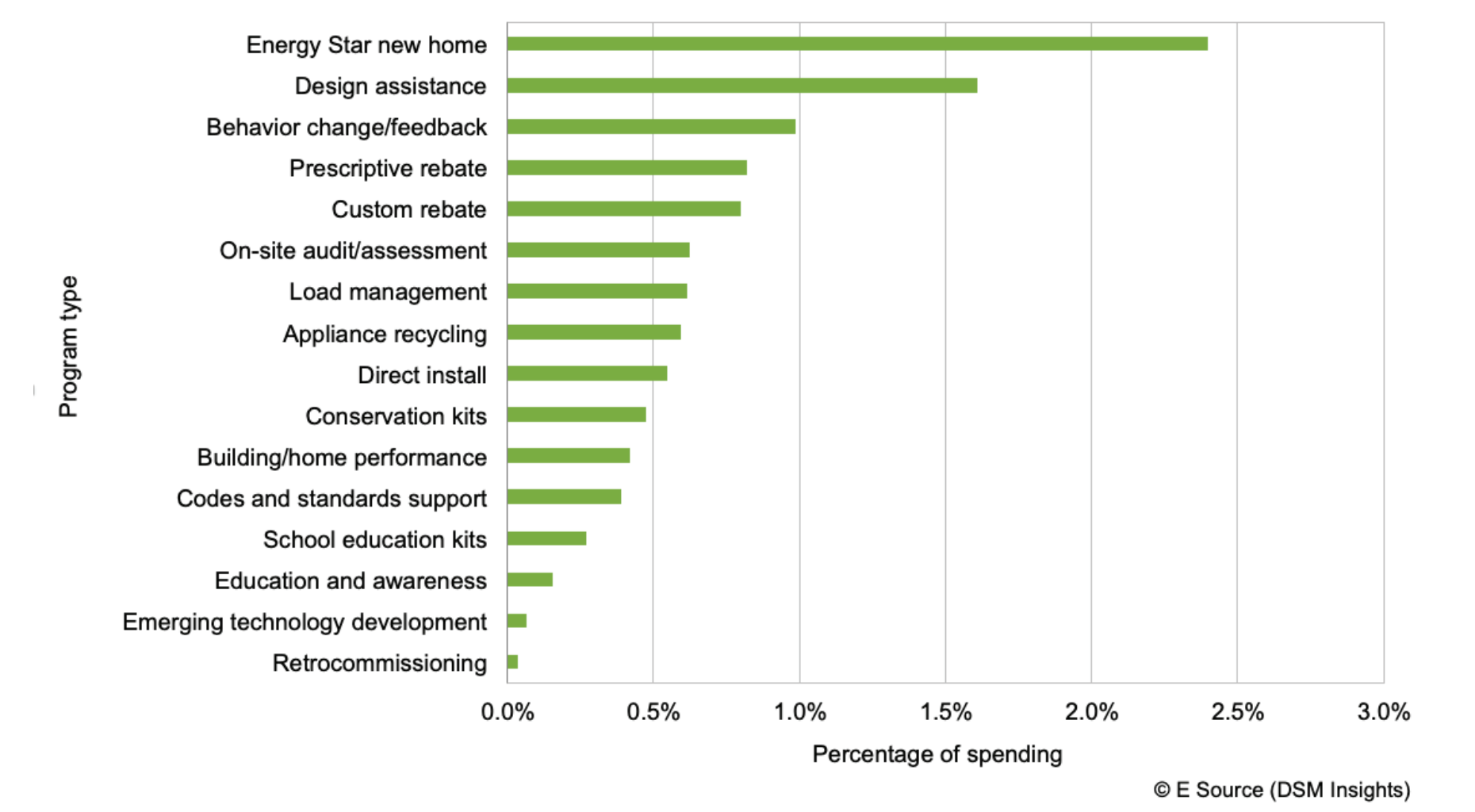
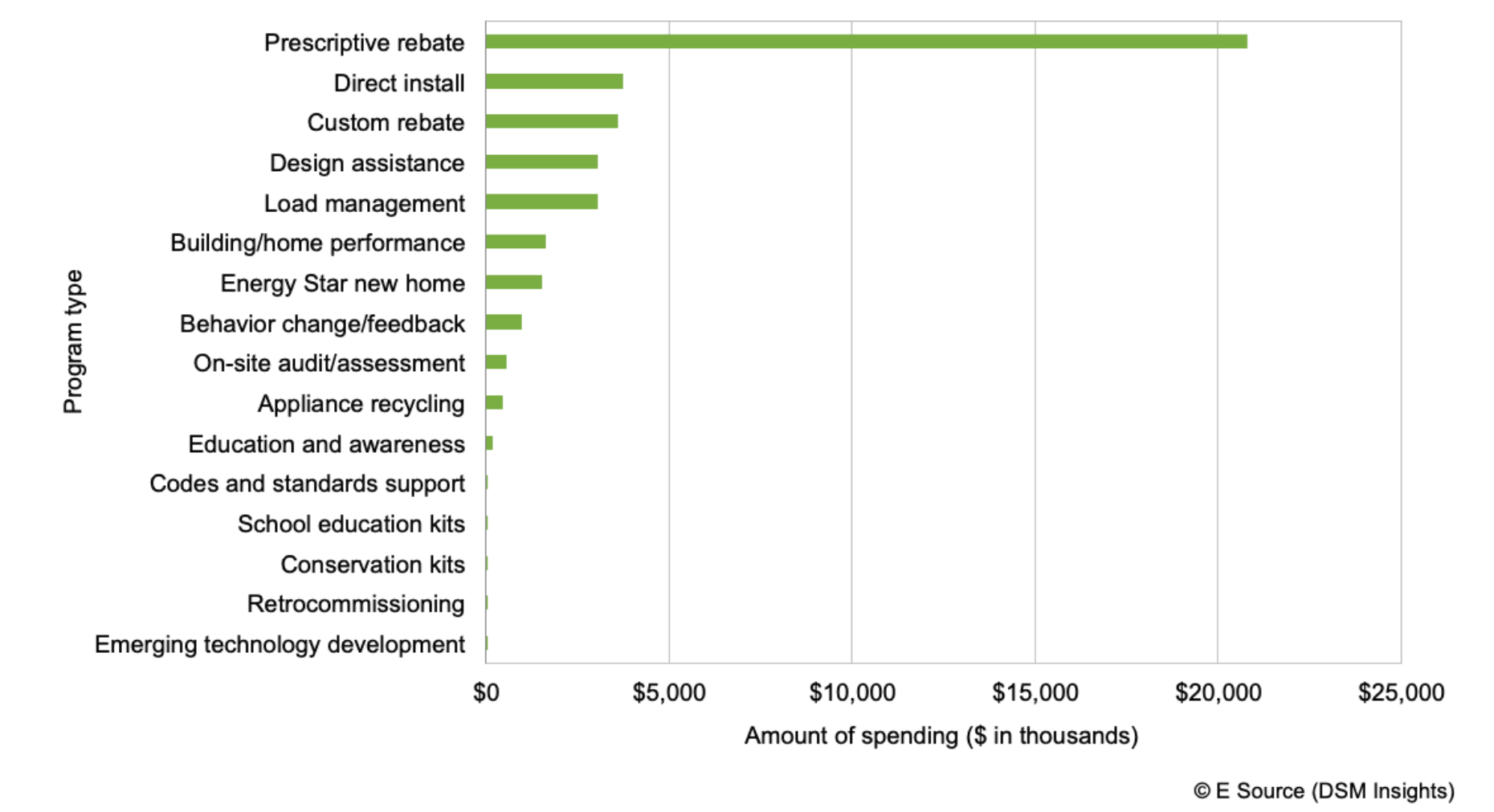


Figure 7: Average annual evaluation spending by program type (2012–2014)



From 2015 to 2017, Energy Star new-home, design assistance, and school education kit programs spent the greatest portion of budget on evaluation, while prescriptive rebate and direct-install programs still spent the highest dollar amount on evaluation.

Figure 8: Percentage of average annual program spending on evaluation by program type (2015–2017)

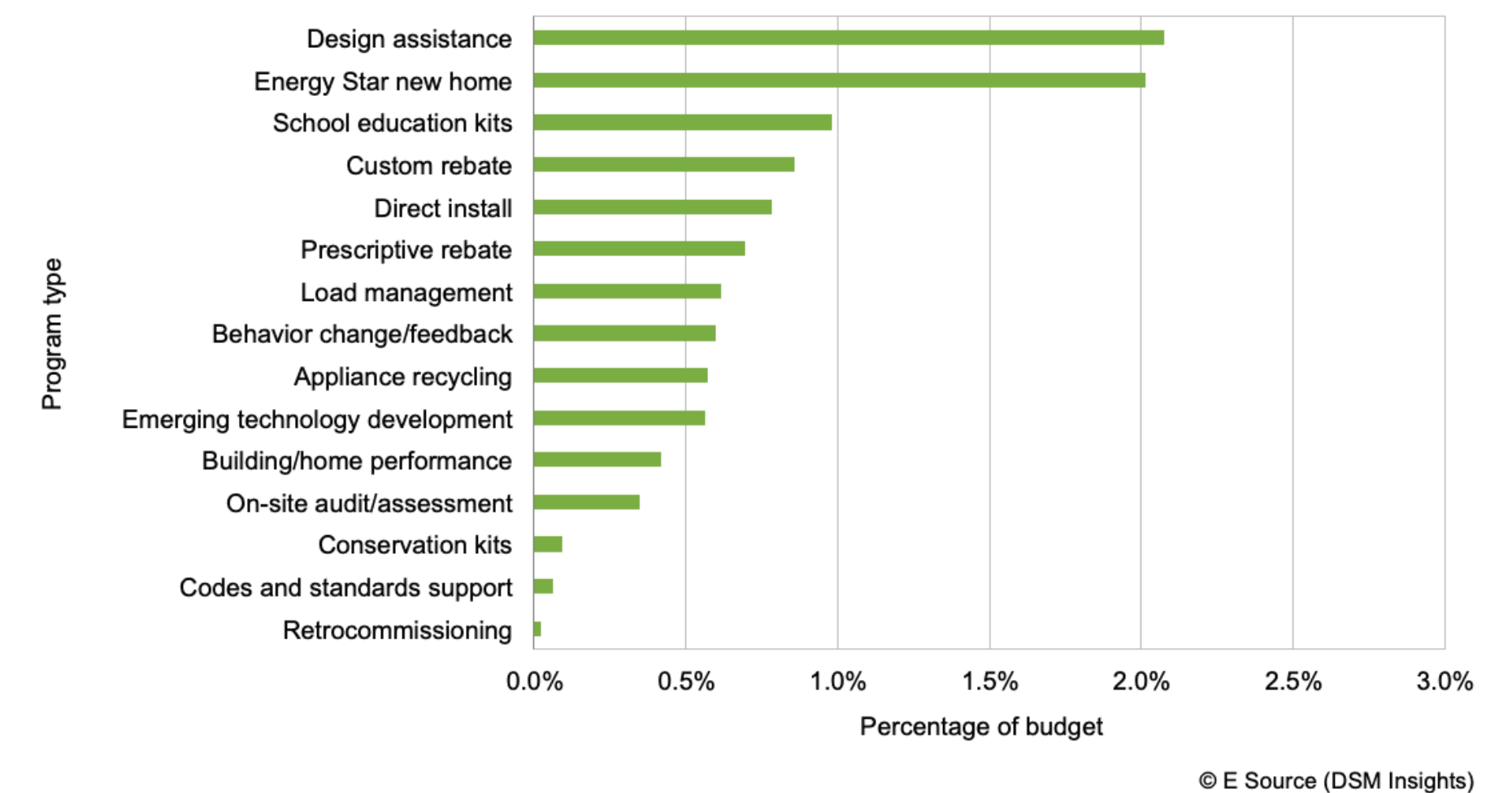
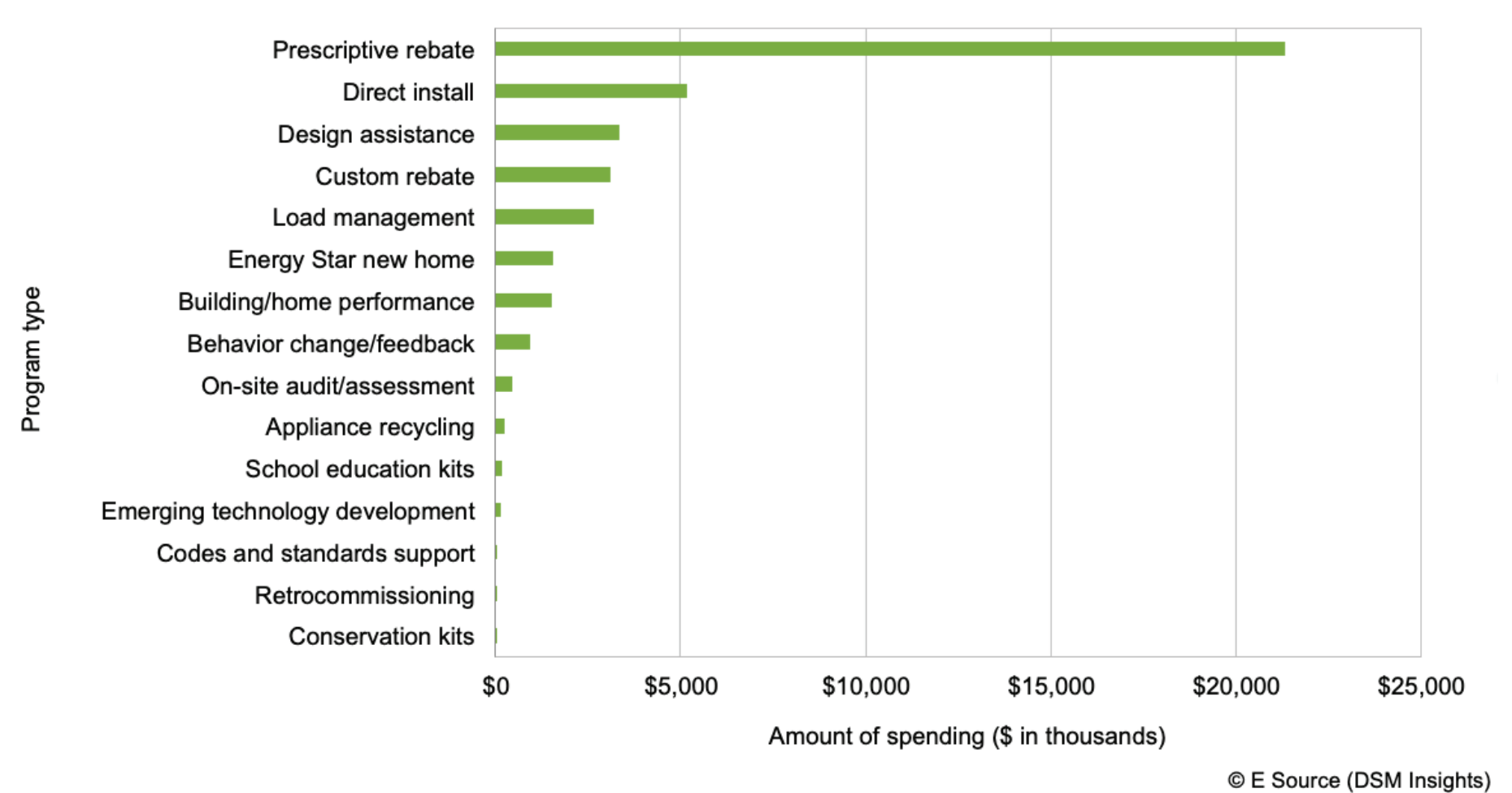


Figure 9: Average annual evaluation spending by program type (2015–2017)



To learn more about E Source or the E Source DSM Insights tool, visit esource.com or call 1-800-ESOURCE.