

| Better than Best Practice | | The Scoop |
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| 1 | Downstream Needs to Go | Nominal cash incentives to residential and small commercial customers after the sale provide little motivation and are a hassle. However, aggregated in the midstream or upstream market actors can make a big difference by stocking efficient equipment only. |
| 2 | Information and Services | Like the previous practice, large C&I customers need intervention ahead of projects to plan and implement efficiency. They are more logical and objective and will do the right thing with good information. |
| 3 | Precision Bomb Barriers | Decisions or heavy influence usually occur upstream of the customer. Wholesalers, designers, and contractors are profit motivated to do what they always do at the lowest possible cost. Programs must address these actors rather than customers. |
| 4 | Leverage Dollars | Rather than finding \$1 million in financing on the market and getting a \$100,000 incentive, customers could use zero-interest financing using the \$100,000 financed through the utility. Leverage. |
| 5 | Regulatory Reform | Regulatory bodies must view efficiency as a resource and allow utilities to monetize their programs by earning the weighted cost of capital on financed customer efficiency projects. It's direct and more accessible than traditional cost recovery mechanisms and bonuses. |
| 6 | Transform a Market | For lasting outside results, teach the market actors to fish rather than giving fish to customers. We don't need stricter codes, higher equipment efficiencies, and impossible design and control requirements. We need simpler systems and collaboration with market actors for the best results. |
| 7 | Implementation Contractors | Information and service-related programs that intervene in the market usually require lots of technical, programmatic, and market knowledge. Program concepts may be strong, but implementation contractors may lack the necessary expertise and execution. Don't give up on great ideas! |

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| 8 | Accountability | Pay for performance is the rage today. State the key performance indicators and let the responsible implementation contractor own them. They cannot be accountable for disinterested parties injected into the process. |
| 9 | Custom Efficiency First (C&I) | For commercial and industrial customers, custom efficiency projects should significantly leverage program dollars to upsell systematic efficiency compared to small incremental gains in component efficiency. Therefore, custom should be the first choice, with prescriptive as a last resort. |
| 10 | No Opt-Outs | Some states lose nearly half their program budgets by allowing larger customers to opt-out of programs. Knowledge, interest, and expertise in efficiency run the gamut from residential to large manufacturing. All sectors must contribute and participate. |
| 11 | Energy Analyses (Custom) | Energy analyses are complex, especially when program portfolio rules are applied. Save money, improve equity, and streamline the process and evaluation activities by having implementation contractors handle these nuances. |
| 12 | Strengths, Passions, Desires | Every entity has its passion and purpose in business. Let the business focus on what they do best and allow programs to fill gaps in expertise, need for time, and interest. |
| 13 | Collaborative Partnerships | Implementation contractors and program administrators each bring unique perspectives to the table. Allow for innovative approaches and collaborate on details for the final program design. |
| 14 | The Good Ref, Evaluators | Evaluators can stifle innovation by forcing status quo methods onto unique, tightly budgeted program designs. Unique and innovative programs often require unique and innovative evaluation practices. Work with us! |