

Best Practices in the Energy Industry

Why Bother with Best Practices?

Best practices are documented strategies and tactics employed by successful organizations and programs. However, rarely is an organization or program "best-in-class" in every area. Rather than identifying best programs by organizations, the focus here is on best practices that exist with and across programs.

(Operation of a program such as the one described here depends on a utility's size and resources. Some utilities may choose a non-utility delivery mechanism for all or a portion of the services.)

Residential Audit Program Example

Program Theory and Design

- Articulate a program theory that clearly states the target for the program, timing, and strategic approach whether resource acquisition, market transformation, or referral to other programs.
- Link the mix of on-site, online, and mail-in audits for each targeted market segment to utility policy objectives and resource constraints.
- Adopt a multi-year planning approach when possible and practical.
- Use a collaborative or coordinated planning approach (involve external parties when appropriate).

Program Management

Project Management

- Utilize electronic project management tools (select user friendly, but adequate, software).
- Make consumer follow-up part of the implementation responsibility (whether services are provided by utility personnel or through non-utility delivery mechanisms).
- Actively involve leading businesses in the segment targeted for transformation (this could be one-on-one contacts, or through the local Rotary Club/ Chamber of Commerce, etc.).
- If services are provided through a non-utility delivery mechanism, use a single prime contractor as the point of contact with the utility.
- Support program managers with accurate information about market conditions and market segments.



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Reporting and Tracking

- Integrate marketing, consumer, audit, and impact data
- Make the audit recommendations, including energy saving potential, part of the program tracking database
- Design the program tracking system to support the requirements for program evaluators as well as program staff
- Utilize databases that can fully integrate audit participation and results with other energy efficiency program information systems
- Track vendor activity and measure volume where relevant

Quality Control and Verification

- Conduct on-site post-installation inspections by a third party where appropriate
- Conduct follow-up telephone calls to provide an accurate estimate of the number of measures installed
- Use audit tools to check for the reasonableness of savings and payback estimates

Program Implementation

Participation Process

- Provide a range of options for consumers
- Make program participation part of an existing, routine transaction such as the purchase of a home or the installation of a heating or cooling system
- Provide vendors with an economic incentive to participate, as well as an easy, simplified participation process where appropriate
- Make the audit flow seamlessly into the adoption of recommended measures
- Use rebates primarily to support market transformation strategies
- It is not necessary to offer free measures for a program to succeed, although installation of low-cost measures does ensure that every audit delivers at least some energy savings
- Use incentives to promote a specific technology or to target a specific segment

Participation Process

- Provide consumers with a single utility point of contact (when practical)
- Feature easy access links to residential audits prominently on the utility website
- Combine outreach to vendor partners with mass marketing efforts to raise consumer awareness and demand when appropriate
- Use target marketing strategies to ensure that hard-to-reach populations are informed about available audit program
- Make marketing materials (as well as the audit instruments themselves) multi-lingual in areas where large immigrant populations speak a foreign language (Spanish, German, Russian, etc.)
- Provide contractors or inspectors used to deliver program products/services with training and resources to enable them to market effectively
- Take advantage of external factors such as heat waves or freezing conditions to enhance marketing effectiveness
- For mail-based audits, include the audit form with the audit offer and make the offer letter succinct and compelling

Marketing and Outreach

- Integrate impact evaluation and measure verification
- Conduct process evaluations closer to the time of the audit than the impact evaluation
- Engage the implementation team in the evaluation process
- Regularly assess program performance and success, such as measuring the level of energy and peak demand savings achieved
- Conduct evaluations in a timely way, or concurrent with the program
- Periodically verify that the audit software is correctly calculating potential impacts
- Perform market assessments for those programs that have a market transformation component
- Systematically update measure life every 2-3 years
- Present actionable findings to program staff both in real time and at the conclusion of the study