Energy Efficient Communities
Program Evaluation

Contents:

- Energy Efficient Communities Program Evaluation
- Evaluation Report Response

This document contains both the final EE Communities Program Evaluation Report and the Puget Sound Energy Evaluation Report Response (ERR). PSE program managers prepare an ERR upon completion of an evaluation of their program. The ERR addresses and documents adjustments on program metrics or processes subsequent to the evaluation.

Energy Efficient Communities

Program Evaluation

Final Report

Prepared for:

PSE *PUGET SOUND ENERGY*

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Executive Summary

Puget Sound Energy (PSE) increased its commitment to proactive alignment with community needs in early 2007. At the time, an increasing number of communities across PSE's territory were establishing sustainability and climate action plans, and many of them looked to PSE for financial and technical support. The Energy Efficient (EE) Communities program launched in pilot phase, and intended to achieve the following overall goals:

1. Connect with local communities to help them take action on climate change.
2. Help communities achieve energy efficiency and climate action goals by leveraging PSE programs.
3. Provide more exposure to Energy Efficiency programs through community partnerships.

In 2009, through the American Recovery and Reinvestment Act (ARRA), the DOE provided funding to a variety of Washington state organizations through several channels. PSE viewed this ARRA funding as a unique opportunity to establish working relationships with communities they had not yet been able to reach. As a result, PSE increased its EE Communities team staff so that it could provide proactive support to the 30+ cities, counties, and community organizations that were poised to receive ARRA funding. This evaluation partially focuses on the results of these ARRA funded partnerships and how they impacted the EE Communities program goals, as well as the overall approach of the EE Communities team in their outreach.

As ARRA funded efforts wind down, the EE Communities program team will turn its attention more towards providing proactive outreach services to PSE programs. The team intends to build on the relationships it established during ARRA and has commissioned this evaluation to in part to identify best practices and lessons learned that can be applied moving forward.

This report summarizes research conducted for PSE to perform a process evaluation of the Energy Efficient (EE) Communities Program. The overall goal of the research is to help PSE's EE Communities program in assessing the continuing opportunity for the use of community based organizations to assist in the support and delivery of PSE EE programs. The specific objectives of the evaluation are to:

1. Determine impacts on other PSE EE program participation
2. Determine impacts of the program on PSE customer knowledge, awareness, value and attitudes
3. Uncover best practices in community based initiatives both in PSE territory and around the country
4. Summarize the key lessons learned from those successes

The project team conducted in depth qualitative interviews with numerous market actors including key PSE staff and leaders of PSE EE Communities program partner organizations to learn about successful as well as unsuccessful program elements. In order to verify the subjective findings of the in-depth interviews, the team conducted structured customer surveys of both residential and business participants in Washington State University (WSU) Community Energy Efficiency Pilot (or "CEEP" for short) programs, and PSE audit programs, as well as non-participants to learn about the influence of the program on awareness of and attitudes toward PSE. (PSE staff work with various communities in the service area to deliver the EE program outreach. While the focus of this evaluation was on CEEP programs, it is understood the EE Communities program has many other community partnerships, and some of these partners were also included in the team's interviews. See Section 2.3 entitled "Terminology" for definitions of all program actors.)

The team conducted a review and analysis of PSE's program databases to determine whether customers in communities with CEEP programs participate in PSE's customer EE programs at higher rates than in other communities. Participation levels in the following PSE programs were analyzed:

- Dealer Channel programs (Insulation Rebates, Heating System Rebates, Water Heater Rebates, and HomePrint Assessments)
- Small Business Lighting
- Commercial Rebates
- Green Power
- Net Metering

The team utilized GIS mapping to visually represent this analysis as part of this task. And finally, the team performed a literature review and interviewed other EE Communities program managers around the country to uncover program attributes common to successful programs.

1.1 Key Findings

The following four sections summarize findings from the teams various evaluation activities. More detail on these high level findings can be found in the associated sections of the report.

1.1.1 Interviews with PSE Staff and Partner Organizations

The PSE EE Communities program is viewed as highly valuable by virtually all partner organizations. Some partner organizations expressed that it is helpful having a single point of contact at PSE for all partner issues. Several organizations and PSE staff expressed that overall program goals are not clear and a system for measuring program success would be helpful in the interest of continuous program improvement. Several partners expressed opinions from customers that participation in PSE's programs must be made as easy as possible and time demands minimized so as not to discourage participation.

1.1.2 Customer Surveys

Key findings from the customer surveys include:

- CEEP program participants are more familiar with PSE programs and rebates than non-participants.

- Audits (conducted by both PSE and CEEP partners) improve perception of PSE, and participants are more satisfied with CEEP audits than with PSE audits.
- CEEP participants are significantly more likely to act on audit recommendations than PSE program participants.
- PSE energy efficiency program participants pay more attention to other PSE activities than non-participants.
- 91% of those surveyed reported the audit met or exceeded their expectation.

1.1.3 Participation Analysis

Detailed participation analysis in several other PSE energy efficiency programs indicates that CEEP programs are having a strong positive effect on PSE program participation levels. Participation levels have generally increased during the two-year program compared to the prior two years, and PSE participation levels have increased more dramatically in communities with the CEEP programs than in those without. Further, it was found that CEEP communities had a greater influence on commercial program participation than on residential.

The Navigant team reviewed several PSE partner programs, including interviews with key program staff, in an effort to identify which programs employ best practice tactics. Table 1 highlights each of the reviewed programs and their best practice components and tactics.

Table 1. PSE Partner Program Best Practice Components and Tactics

Program	Audit Structure	Contractor Network	Financial Incentives	Marketing & Outreach	Customer Services	Unique Components
RePower Bainbridge	Tiered model Assessment followed by technical audit	Pre-approved contractor network	Rebates Financing partnership with local bank Promotes existing incentives	Community feedback displays Customer testimonials Process-oriented videos	Energy advisor completes assessments Offers assistance as needed	Customer web portal for tracking energy use Peak demand reduction campaign with community-wide energy use dashboard and alert system
Whatcom Community Energy Challenge	Technical audit completed as first step in the process	Pre-approved contractor network	Rebates Financing partnership with local bank Promotes existing incentives	Customer testimonials Process-oriented videos	Energy advisor guides customer through the process of installing measures	Integrates with real estate processes by offering home energy performance scores
Thurston Energy	Technical audit completed as first step in the process	Pre-approved contractor network	Promotes existing incentives	Customer testimonials Process-oriented videos Traditional advertising Peer-to-peer referrals	Energy advisor helps participants through the process of implementing audit recommendations with proactive follow up and hand holding	Emphasizes the importance of proactive follow-up and hand holding
Sustainable Works	Technical audit completed as first step in the process	Acts as "general contractor" for projects and subcontracts with appropriate contractors	Rebates Financing partnership with local bank Promotes existing incentives	Customer testimonials	Energy advisor guides customer through the process of installing measures	Project bundling and bulk purchasing

1.2   Conclusions and Recommendations

Conclusions
The findings of this evaluation lead Navigant to conclude that the EE Communities Program has a unique and valuable role to play within the PSE organization and the communities served by PSE. Community partners place a high value on the EE Communities team's efforts to collaborate, pilot innovative outreach strategies, and keep communities apprised of PSE's program opportunities. CEEP program

participation was found to positively influence participation in PSE EE programs indicating that enhanced community-based outreach strategies have great potential to enhance effectiveness of other EE programs.

Not only did CEEP communities show higher participation in PSE programs, but the surveyed CEEP audit program participants were more likely to report actually installing measures and taking advantage of PSE's energy efficiency rebates than participants in PSE's HomePrint audit program. This survey finding indicates that the community-based CEEP programs—which rely on building a close relationship with the customer to guide them step-by-step through the entire audit and retrofit process—are effectively encouraging customers to implement the audit recommendations. The findings of the customer surveys and the participation analysis both indicate that the community-based strategies adopted by CEEP are effective at persuading customers to adopt energy-efficient practices and are appreciated by customers, and PSE should continue to support the development and expansion of community partnerships.

Although the CEEP partnerships have worked well overall for both PSE and their community partners, PSE's community partnerships are not without challenges. Perhaps the most significant opportunity for improvement is data tracking and sharing, both internally (to share market intelligence about communities with other program staff) and externally (to enable community partners to assess the effectiveness of their efforts to drive participation into PSE programs). Another potential challenge is balancing the demands of internal stakeholders who want the community partnerships to drive customers directly into PSE efficiency programs and community partners who may want to implement an approach that does not align perfectly with PSE's existing program offerings. The following paragraphs present recommendations to help PSE navigate these challenges moving forward.

Recommendations
Clearly articulated goals and metrics for measuring progress towards those goals, along with an overall guiding strategy are essential for program success. Navigant recommends that PSE articulate a clear strategy for the EE Communities Program, and carefully define the scope of the team's responsibilities for both internal and external parties. This strategy/scope should clearly communicate to partners what the EE Communities team can and cannot provide and allow the team an appropriate level of flexibility to develop and maintain effective partnerships but also enable staff and partners to identify when something is clearly beyond the scope of their team's responsibilities. A crucial part of defining the program's strategy is establishing metrics and criteria for success. Navigant encourages PSE to establish metrics that reflect the variety of ways in which the EE Communities team contributes to the overall success of the PSE organization. These metrics should be tracked and reported on regularly to monitor program effectiveness. Some possible metrics are outlined in section 5.3.

Partners expressed a desire for more information on the program. Clear and regular communication with partners is recommended. Partners and trade allies should be involved in program updates, program decision making and should feel a sense of ownership in the program. Consider scheduling regular partner and trade ally events and discuss program changes, best practices and specific case studies/success stories at these events.

Both PSE and community partners emphasized the ongoing challenge of data sharing. Partners want to gain access to information that help them implement and evaluate their programs, and PSE is hampered by a number of regulatory and IT challenges in providing that data to partners. PSE indicated a strong desire to improve their data tracking with regard to the EE Communities Program, both in terms of

tracking "market intelligence" such as information on communities' climate action goals and demographics and in terms of tracking the influence of community-based efforts on program participation. Navigant understands that PSE is currently in the process of developing a contact management system that would greatly enhance PSE's community profiling capabilities and enable the EE Communities team to track community involvement, track communications with key community contacts, and assess the community's "partner propensity" or likelihood of being a strong partner with PSE. Navigant recommends that PSE make the development of the contact management system a high priority and explore ways in which the system can integrate with PSE's other program databases to pull in data on community residents' participation in rebate programs and other PSE programs, ideally on a real-time or regularly scheduled basis. Participation and savings data should be made readily available to partners.

1.2.1   Opportunities for Further Research

During the course of the evaluation, Navigant identified several additional research avenues that may provide PSE insights and more detailed understanding of the program's impact.

- **Measure impacts by savings** (kWh or therms.) This could be accomplished by looking at participation at the measure level rather than just by participation by count. An analysis of participation and energy savings would provide the real energy impact the program had for the PSE portfolio.
- **Evaluate the program annually**. The benefits of a communities-based program such as the EE Communities program often accrue over several years. Evaluating annually would allow for time series tracking and trending of program performance.
- **Use predictive modeling methods to engage additional customers in the participating communities and propose future communities for the program.** Predictive modeling is an emerging outreach technique used in some demand-side management programs. The models combine various datasets, including PSE's program data, Census data, and other relevant datasets, in order to forecast or "predict" where certain programs will have the most impact. By comparing project and customer data from participants to the database, PSE can estimate a customer's propensity to participate in certain programs. Some utilities have used predictive modeling to define the "typical participant" down to specific measure level. The utilities query the databases for customers that fit the profile and create very specific marketing strategies to reach those customers. PSE could build from the existing participation analysis to review additional programs or additional communities to include in CEEP and develop specific outreach strategies to reach those customers.

2.   Introduction

2.1   Evaluation Objectives

This document presents Navigant's process evaluation of the PSE Energy Efficient (EE) Communities Program. The Navigant team presents these results along with actionable recommendations for program improvements, decision making, and strategy assessment. The evaluation was expressly designed to not only assess the effectiveness of the program as implemented, but also to provide supporting information to enable PSE to incorporate best practices and lessons learned into future iterations of the EE Communities Program.

Navigant designed the evaluation to answer the following research questions:

1) How effective has the PSE's EE Communities Program been in…
   a) …improving customer awareness and attitudes toward PSE?
   b) …increasing participation in other PSE DSM programs?
2) Which of the CEEP partnerships was most successful in driving participation in PSE DSM programs?
3) What are the key lessons learned from those successes?
4) How can these lessons be best applied to the PSE EE Communities program in the future?

2.2   Report Structure

The remainder of the report is structured as follows:

- *Section 2: Methodology* presents details on the interviews, customer surveys, participation analysis, GIS mapping, and secondary research which informed this multi-faceted evaluation.

- *Section 3: Findings* presents the findings of the evaluation, including the following subsections:

  - *Section 3.1: Effectiveness of the PSE EE Communities Program* discusses the findings of PSE staff interviews on the history of the EE Communities Program, its role within the PSE organization, stakeholder expectations, and internal processes such as program tracking. Relevant findings of the best practice review are also discussed to benchmark PSE's current practices against those of similar programs across the country.

  - *Section 3.2: Partner Relationships* discusses the findings of PSE staff and partner interviews on aspects of the community partnerships, including partner motivations, partner satisfaction, and processes related to the development and maintenance of community partnerships and programs such as CEEP. Relevant findings of the best practice review are also discussed to benchmark PSE's current practices against those of similar programs across the country.

  - *Section 3.3: Customer Attitudes and Awareness* discusses the findings of the residential and small business customer surveys, which assessed metrics on PSE program awareness, satisfaction with PSE, participation in CEEP and PSE audit and rebate programs, and other measures of attitudes and awareness among PSE and CEEP participants and non-participants.

  - *Section 3.4: Influence of CEEP Partnerships on PSE Program Participation* discusses the findings of Navigant's analysis of PSE program participation data in three CEEP

communities and three non-CEEP comparison communities, including GIS mapping, to determine whether enhanced community-based outreach such as that provided by the CEEP programs leads to increased participation in PSE's energy efficiency programs.

- *Section 3.5: Best Practices in Community-Based Program Delivery Mechanisms* summarizes the best practices and common themes in community-based energy efficiency program delivery determined through interviews and secondary research.

- *Section 4: Conclusions and Recommendations* summarizes the key findings of the evaluation, recommendations for future program implementation, recommended evaluation metrics, and suggestions for further research.

- *Appendices* present the data collection instruments used in the interviews and customer surveys.

2.3   *Terminology*

The EE Communities Program is significantly more complicated than the average utility energy efficiency program, with the program staff ("EE Communities team") interacting with multiple departments within PSE as well as community partners, implementers, trade allies, and other parties on a regular basis. There are no "participants" in the EE Communities Program in the traditional sense; PSE customers participate in community partners' programs or in other PSE energy efficiency programs (or both), but not directly in the EE Communities Program. Thus, the terminology used within this report can be confusing. For the purposes of this report, the following entities are defined as follows:

1) **EE Communities team** – PSE staff who work directly on the EE Communities Program.
2) **PSE program staff** – PSE staff who run customer energy efficiency programs such as HomePrint or rebate programs.
3) **PSE internal stakeholders** – Other PSE staff who are not part of the EE Communities team but have a vested interest in the activities of the team (e.g., management, community relations staff, etc.)
4) **CEEP partners** – Organizations that implement the Community Energy Efficiency Pilot programs.
5) **Community partners** – Refers to all organizations that the PSE EE Communities team has established partnerships with on some level, including the CEEP partners.
6) **Implementers** – Organizations that execute energy efficiency programs on behalf of a utility or a community partner.
7) **Energy advisor/coach** – For partner programs, this is an individual who acts as one point of contact for a program participant and guides them through the full process of a home or business retrofit. For PSE, this is a phone-based team that provides information about energy efficiency to customers.
8) **Contractors, trade allies, and service providers** – Businesses that provide energy efficiency installation services (such as insulation) and energy audits. These terms are used interchangeably in the report.
9) **CEEP participants –** Customers who participated in a CEEP audit program.
10) **PSE participants –** Customers who participated in a PSE energy efficiency program. Within the customer survey findings (Section 4.3), only participants in PSE's HomePrint audit program or Small Business audit programs are included in this category; within the participation analysis (Section 4.4), "PSE participants" include participants in the Residential Rebates, Net Metering, Commercial Rebates, and Small Business Lighting programs.

11) **Non-Participants** - PSE customers who did not participate in either a CEEP or PSE program within the 2010-2011 program years.

2.4   Program History

PSE increased its commitment to proactive alignment with community needs in early 2007. At the time, an increasing number of communities across PSE's territory were establishing sustainability and climate action plans, and many of them looked to PSE for financial and technical support. While PSE already worked with local communities via its community relations staff, this unprecedented and collective regional focus on sustainability presented a unique opportunity for PSE to assist communities with achieving their goals by leveraging PSE's energy efficiency programs. Thus, PSE created the Energy Efficient Communities (EE Communities) program, then known as the "Green Communities Program". The EE Communities program launched in pilot phase with a staff of one person, and intended to achieve the following overall goals:

4. Connect with local communities to help them take action on climate change.
5. Help communities achieve energy efficiency and climate action goals by leveraging PSE programs.

The EE Communities program conducted pilot partnerships with a several communities until 2009 when the U.S. Department of Energy (DOE) made American Recovery and Reinvestment (ARRA) funding available to communities to implement energy efficiency programs. The DOE provided funding to a variety of Washington state organizations through several channels including the Energy Efficiency Block Grant (EECBG), the State Energy Program (SEP), and the Better Buildings Grant. PSE viewed the ARRA funding as a unique opportunity to establish working relationships with communities they hadn't yet been able to reach. As a result, PSE increased its EE Communities team staff so that it could provide proactive support to the 30+ cities and counties that were poised to receive ARRA funding. This evaluation partially focuses on the results of these ARRA funded partnerships and how they impacted the EE Communities program goals.

As ARRA funded efforts wind down, the EE Communities program team will turn its attention more towards providing proactive outreach services to PSE programs. The team intends to build on the relationships it established during ARRA and has commissioned this evaluation to in part to identify best practices and lessons learned that can be applied moving forward.

2.5   Program Theory and Logic Model

Navigant created a program theory and logic model to solidify the evaluation team's understanding of the program's intended implementation and outcomes, to help guide discussions with program staff, and to help finalize program evaluation metrics. Navigant developed the model based on in-depth interviews with PSE staff and a review of program materials. Note that the logic model presents the program from PSE's perspective, not the community partners; community partners have additional goals (related to climate change, economic development, job creation, etc.) that PSE activities support but are not the primary drivers of PSE's efforts. Figure 1 presents the final program theory and logic model.

Figure 1. Program Logic Model

PSE Energy Efficient Communities Program

Inputs: PSE funds to support EE Communities Program staff and activities.

Note: this model is meant to represent the program as implemented in 2010-2011.

EEC Activities
- Coordinate CEEP partnerships/agreements
- Coordinate community initiatives with non-CEEP partners
- Implement proactive PSE program outreach
- Perform miscellaneous general community outreach in conjunction with other PSE goals (e.g., safety, customer service)

Outputs
- Letters of intent signed; customer acquisition payments distributed
- Community partnerships developed
- Events developed with partner organizations
- Co-branded partner marketing materials, event kits, local office displays, and other marketing materials distributed
- Events and meetings attended; presentations and other community appearances made

Short-term Outcomes
- Community partners are motivated to promote PSE programs to their customers
- Community partners are aware of the full range of PSE program offerings
- Customers are aware of energy efficiency programs offered by community organizations
- Customers are aware of the full range of PSE program offerings
- Community organizations view PSE as a valued partner; relationships are strengthened

Intermediate-Term Outcome
- Customers learn about PSE programs through a trusted community organization
- Community partners are able to provide an enhanced service to their customers
- More customers participate in community partners' programs
- Customers place an increased value on energy efficiency in their homes and businesses and better understand how to improve efficiency

Long-Term Outcomes
- Increased customer satisfaction and positive associations with PSE and its EE programs
- More customers participate in PSE programs
- Energy and demand savings

Note: Numbers have no inherent meaning and are meant simply to enable easier discussion of the logic model.

External Influences: Economy, weather conditions, regulatory policy and imperatives, federal and state policies and programs, other energy efficiency/environmental awareness campaigns, etc.

3.   Methodology

3.1   Interviews with PSE Staff and Partners

The team conducted in-depth qualitative interviews with Puget Sound Energy (PSE) program staff and Energy Efficient Communities Program partners. The purpose of these interviews was to gather information regarding roles and responsibilities, program goals and objectives and structure, successes and challenges, marketing and outreach, data tracking and best practices. Navigant conducted all interviews via phone. Table 2 summarizes interview topics and objectives.

Table 2. Interview Topics and Objectives

Topic Area	Topic Objective
Roles and Responsibilities	Determine how program staff spend their time; determine specific processes and roles within program
Overall Program Goals, Objectives, and Structure	Understand motivation for creating the program, and what they would like to do with it moving forward; structure and goals; explore relationship with PSE or within PSE
Successes and Challenges	Identify program successes, challenges, and best practices
Marketing and Outreach	Identify marketing and outreach tactics; discuss what works and what doesn't
Data Tracking	How is data handled within the program; where is there room for improvement

PSE provided Navigant with a list of 32 suggested interviewees including program staff, Washington State University, CEEP partner staff, and other community partners. Navigant worked with PSE staff to develop a prioritized list of 14 interviewees (representing five PSE staff and nine partner organizations). Table 3 shows the partner organizations from which representatives were interviewed.

Table 3. Interviewed Organizations

Organization
City of Bellevue
City of Issaquah
Conservation Services Group
Olympic Region Clean Air Agency
Sustainable Connections
Snohomish PUD
SustainableWorks
Thurston Energy
Washington State University Extension

The interview guides are provided in the appendices. Appendix A presents the PSE program staff interview guide and Appendix B presents the community partner interview guide.

Navigant sought feedback from the remaining partner organizations who were not interviewed to gain a broader view of partners' satisfaction with the EE Communities Program and post-ARRA funding program plans via a brief, open-ended online survey. Four additional partners provided feedback on the program through this online surveying effort, and those responses were included in the results of this analysis.

3.2   Customer Surveys

The Navigant team utilized a professional survey house to conduct telephone surveys with PSE customers in the small business and residential sectors to obtain customer input for the EE Communities Program evaluation. The survey targeted participants in the CEEP audit programs, PSE's HomePrint and small business audit programs, and non-participants.

The structured interviews used both closed-ended and open-ended items to determine levels of awareness, knowledge, opinions, and demographics among the targeted populations. The surveys used were developed by the evaluation team and incorporated edits and suggestions from PSE staff. Table 4 presents the topics covered by the participant and non-participant surveys (for both residential and small business customers). Suggestions by the survey house were adopted to improve the flow and computer collection of data. The survey instruments are presented in Appendix C.

Table 4. Question Batteries in Participant and Non-Participant Surveys

Question Battery Metrics	Participant Survey	Non-Participant Survey
1. Awareness & Knowledge	X	X
2. Attitude	X	X
3. Customer satisfaction/value	X	X
4. Social connections	X	X (limited)
5. Process problems	X	
6. Demographics / Building Characteristics	X	X

Computer-assisted telephone interviewing (CATI) was used to methodically customize the interview to the customer's participation type and region and to employ skip patterns based on customers' responses to specific questions. Most customer interviews lasted 7-14 minutes.

Table 5 summarizes the targeted and actual number of completed surveys for each surveyed population. The survey house successfully exceeded the targets for residential participants and non-participants and small business non-participants, but fell short on small business participants due to a low response rate combined with a limited pool of participants to begin with.

Table 5. Survey Targets and Completes

Population		Target	Completed Surveys
Residential	Participants	120	122
	Non-Participants	60	61
Small Business	Participants	50	32
	Non-Participants	30	31

Response data was supplied electronically to the evaluation team for statistical analysis and the most significant findings are presented in Section 4.3 of this report. Summary statistics, crosstabs, T-tests, and chi-square tests were used to validate the sampling assumptions and conduct exploration of the dataset.

3.3   Participation Analysis

Navigant merged several PSE program databases to analyze program participation with particular attention paid to whether customers in communities with CEEP programs participate in PSE's customer EE programs at higher rates than in other communities. Navigant worked with PSE staff to identify non-participant communities that are similar in demographics to select communities with significant involvement with the PSE EE Communities Program (e.g., the communities with CEEP programs). Navigant reviewed 2010 Census data to ensure the comparison pairs were statistically similar. Table 6 shows the selected communities for comparison. Navigant analyzed the effect of the EE Communities Program on participation levels in the PSE programs in Table 7.

For the analysis, PSE defined a participant as a unique combination of customer name and premise address.

The team compared participation data from the two years prior to the CEEP program (2008-2009) to the two years during the CEEP program (2010-2011).

Table 6. Comparison Communities for EE Communities Participation Analysis

CEEP Program	CEEP Community	Non-CEEP Community	Fuel Type
Opportunity Council/ Sustainable Connections	Whatcom County	Skagit County	Electricity only
SustainableWorks	Federal Way	Kent	Electricity, Natural Gas
Thurston Energy	Olympia, Lacey, Tumwater	Renton	Electricity, Natural Gas

Table 7. PSE Programs for EE Communities Participation Analysis

PSE Program	Residential	Commercial
Dealer Channel Programs	Y	
Small Business Lighting		Y
Commercial Rebates		Y
Green Power	Y	Y
Net Metering	Y	Y

Navigant conducted GIS mapping as part of this task. Navigant used counties, cities, and zip codes to represent unique geographic areas. The team generated density and bubble plots for side-by-side representations of the participation of comparison communities in 2008-2009 and 2010-2011. The team also geo-coded EE CEEP participant addresses to analyze geographically participation trends in the comparison communities.

Table 8. Map Types and Descriptions in GIS Analysis

Map	Map Type	Description	Number of Maps
2008-2009 Participation	Density	• One map for each combination of customer type and community comparison • Graduated colors represent number of PSE program participants per number of PSE customers	6
2010-2011 Participation	Density	• One map for each combination of customer type and community comparison • Graduated colors represent number of PSE program participants per number of PSE customers	6

3.4   Best Practice Review

The team conducted a review of the initiatives fielded by the EE Communities Program and partnering organizations as well as exemplary community-based programs conducted nationwide to identify success stories, best practices and lessons learned that could be transferable to PSE's efforts.

The team selected Partner Programs for the best practice review through conversations with PSE staff and by reviewing the EE Communities Program materials. The team also referred to primary data from the interviews and the results of the participation analysis discussed in Sections 4.3 and 4.4. To identify other exemplary programs from across the country, the team referred to Navigant's library of relevant research articles and evaluations from the community-based program field and resources made available by the American Council for an Energy-Efficient Economy[1] (ACEEE), the U.S. Department of Energy[2], and the U.S. Environmental Protection Agency[3]. The team looked for programs that reflected PSE's experience and vision, and for programs that might have transferable methodologies or lessons learned that could contribute to PSE's goals for this evaluation. Table 9 lists the programs that were selected for this evaluation's best practice review.

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[1] Mackres, Eric, et. al. *"The Role of Local Governments and Community Organizations as Energy Efficiency Implementation Partners: Case Studies and a Review of Trends"*. American Council for and Energy-Efficient Economy. February 2012.

[2] The team reviewed the U.S. Department of Energy's Better Buildings Neighborhood Program profiles and case studies to identify exemplary community-based programs.
http://www1.eere.energy.gov/buildings/betterbuildings/neighborhoods/

[3] The team reviewed the U.S. Environmental Protection Agency's Climate Showcase Communities Program profiles and case studies to identify exemplary community-based programs.
http://www.epa.gov/statelocalclimate/local/showcase/

Table 9. Programs Included in Best Practice Review

Program	Lead Implementation Organization(s)	PSE Partner Program	Other Exemplary Program
RePower Bainbridge	Conservation Services Group	X	
Community Energy Challenge	Sustainable Connections / Opportunity Council	X	
HomePLUS	Thurston Energy	X	
SustainableWorks	SustainableWorks	X	
Community Power	SnoPUD	X	
Vermont Community Mobilization Project	Vermont Energy Investment Corporation / Efficiency Vermont		X
Boulder County EnergySmart	Boulder County		X
Clean Energy Works Oregon	Clean Energy Works Oregon		X
ReEnergize Nebraska	Cities of Lincoln and Omaha		X
Community Energy Challenge	Commonwealth Edison		X
New Bedford Community Mobilization Initiative / Marshfield Energy Challenge	NSTAR		X
PowerSmart Sustainable Communities	BC Hydro		X

The team researched each of these programs via a variety of efforts including phone interviews and secondary reviews of available reports and evaluations. Figure 2 summarizes the data sources for each program included in the review.

Figure 2. Data Sources Reviewed, by Program

	Phone Interview	Website	Outreach Materials	Case Studies	Program Reports / Evaluations	Social Media	Online Survey	PSE EE Communities Program Materials
RePower Bainbridge	X	X	X			X		X
Community Energy Challenge	X	X	X	X	X	X		X
HomePLUS	X	X	X					X
SustainableWorks	X	X	X					X
Community Power	X	X					X	X
Vermont Community Mobilization Project	X				X			
Boulder County EnergySmart	X	X	X	X				
Clean Energy Works Oregon		X	X	X				
ReEnergize Nebraska		X	X	X				
ComEd Community Energy Challenge	X	X	X		X			
New Bedford Community Mobilization Initiative / Marshfield Energy Challenge		X	X	X				
PowerSmart Sustainable Communities		X	X					

This section presents the findings of Navigant's evaluation of the PSE EE Communities Program.

4.1   Effectiveness of EE Communities Program

This section presents findings on the internal processes of the EE Communities Program and its role within the PSE organization. The findings are drawn from in-depth interviews with PSE staff, and are supplemented by relevant insights from the best practice review.

4.1.1   Evolution of the Program

Program Roots and Early Years

"Our vision was to connect with communities to help them take action on climate change, to be a leader in regional coordination efforts and to help communities meet their climate action goals." – PSE Staff Interview

"We wanted to sit down across the table from partners to figure out how to work together." – PSE Staff Interview

"We promote in-the-box programs in an out-of-the-box way." – PSE Staff Interview

As discussed in Section 1) PSE created the EE Communities program to help local communities take action on climate change, provide leadership and coordination of regional climate change efforts, and help communities achieve energy efficiency and climate action goals by leveraging PSE programs. PSE grounded the program in the vision that the utility should act as a "solution finder" and "bridge builder" for local communities. In addition, the EE Communities team would promote PSE's energy efficiency programs through local jurisdictions (cities and counties) and organizations such as economic development councils and chambers of commerce. In addition to these overall goals, the EE Communities program strives to:

- Contribute to savings targets
- Improve customer loyalty, understanding and awareness
- Collaborate effectively across PSE departments to create a consistent message to customers and communities

In its early years, the EE Communities program included one staff that began by working with the PSE Community Relations Managers (CRM's) to identify several target partners for pilot program implementation. In line with community-based program best practices, PSE identified these pilot partnerships based on a strategic assessment of several criteria, including the community's progress on sustainability planning, staff capacity, and level of financial investment. Over the course of several years, the EE Communities program staff developed and implemented several pilot projects with these target communities.

The American Recovery and Reinvestment Act

"ARRA changed our approach dramatically. We shifted from 'how can we help with money' to 'how can we help with other resources'." – PSE staff interview

"The EE Communities program survived infancy because of ARRA funding. The program needed community operatives to help define the program's interactions and ARRA provided an influx of those operatives. On the flip side, we couldn't have managed the element of competition from ARRA without the EE Communities program. We probably would have lost ground with customers if we hadn't been proactive about being involved in ARRA" – PSE staff interview

"The ARRA funds put PSE ahead of where they would have been otherwise in terms of establishing relationships with communities." – PSE staff interview

Beginning in 2008 and into 2009, the American Recovery and Reinvestment Act (ARRA) took shape. As it became apparent that the U.S. Department of Energy would provide funding to a variety of Washington state organizations for energy efficiency programs, the vision of the EE Communities program began to shift from "how can we help with money" to "how can we help with other resources".

Most importantly, PSE viewed the ARRA funding as a unique opportunity to establish working relationships with communities they hadn't yet been able to reach. As a result, PSE increased its EE Communities program staff so that it could provide proactive support to the 30+ cities and counties that were poised to receive ARRA funding. The team focused on assisting community partners with ARRA planning including coordinating grant proposals, developing memorandums of understanding for program alignment, and establishing co-branding guidelines. Specific to ARRA, the EE Communities team efforts included:

- Aligning PSE programs with Washington State University's Community Energy Efficiency Pilot (CEEP) program efforts, and
- Coordinating grant application collaboration between seven area cities that resulted in funding to distribute Home Energy Reports to PSE residential customers[4].

According to in-depth interviews, partners throughout PSE territory feel that the EE Communities team played a key role in regional planning for ARRA. In addition, PSE staff stated they felt the ARRA funding had a positive effect on PSE's programs, and helped the EE Communities team expand its reach to communities it wouldn't have otherwise reached. More broadly, both partners and PSE staff felt that ARRA funding helped boost the state's foundation of energy efficiency programs in the region and that the partners are poised to successfully work together moving forward.

Post-ARRA, EE Communities Team Restructure, and Moving Forward

"We've been successful in creating a framework to build on from here." – Partner interview

"Coming in to 2012, we're beginning to be more integrated. The EE Communities team is now embedded in our different energy efficiency program channels. It seems to be working pretty well so far." – PSE staff interview

"We can become much more targeted and strategic about how we go after partnerships but the needed investment to handle this moving forward is a business decision for the company." – – PSE staff interview

Post-ARRA discussions are in progress among partners to determine how to continue work after the grants expire. As of this report, these efforts involved multiple strategic planning and stakeholder

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[4] The impacts of the Home Energy Report program is not included in this evaluation, however several program partners were interviewed to assess the effectiveness of the EE Communities team in their coordination efforts.

engagement meetings. In addition, the state legislature had recently allocated $15M to Washington State University for the purposed of continuing CEEP efforts. PSE is in the process of engaging in conversations with partners to determine how to continue partnership efforts in light of this extended funding. The EE Communities team intends to build on the relationships it established during ARRA and has commissioned this evaluation to in part to identify best practices and lessons learned that can be applied moving forward.

Internally, the EE Communities team has begun to turn more attention towards providing proactive outreach "services" to PSE program staff. PSE recently placed the EE Communities team within a new arm of the company and is integrating the team with energy efficiency program channels. This is partially reflective of PSE's responsibility to the commission and its ratepayers. All program efforts, including those of the EE Communities team, must support PSE's energy savings goals. This requirement, and how it affects community-based partnerships, is discussed further in later sections of this report. This evaluation also includes a number of recommendations for PSE to consider as it moves forward with next steps for the EE Communities program. Section 5.2 includes an in-depth review of these recommendations.

4.1.2   Internal Relationships and Role within PSE

"Program staff comes at it from a black and white perspective. The EE Communities team helps us tailor our approaches as possible while staying within the regulatory requirements." – PSE staff interview

"Having the EE Communities team available to understand the local needs is valuable because they can help message PSE requirements more effectively." – PSE staff interview

"PSE looked at things pretty homogeneously in terms of marketing up until the EE Communities program. The program helped establish the concept of community identity." – PSE staff interview

"The program needs to be more understood within the company." – PSE staff interview

"Energy efficiency efforts have to be accountable to the commission and tactics need to drive savings. Is the program tactically appropriate? Ideally, we would be able to prove a return if the program makes financial sense. – PSE staff interview

"We are a lot more effective if we have a credible community-level entity to partner with or co-brand with." – PSE staff interview

Overall, the in-depth interviews with PSE staff revealed that the team is valued as a key contributor to program and community relations success. Perhaps more importantly, the EE Communities team itself seems to recognize that it is valued. The interviews also indicated a subtle, underlying confusion about what role the team plays in PSE's energy savings targets. While staff seems to recognize that the EE Communities team is important and contributes to outreach efforts, the program's overall goals and metrics are unclear and therefore unable to be articulated.

For example, several EE Communities program staff indicated that metrics are sometimes developed ad hoc and on a reactionary basis making strategic program decisions difficult. EE Communities team members also shared that they have difficulty managing the tension between partner and PSE staff expectations without a clear strategy and defined metrics. The next section discusses expectation

management in more detail and this evaluation includes a number of recommendations for PSE to address this challenge. Section 5.2 includes an in-depth review of these recommendations.

4.1.3   Managing Expectations

"Both external partners and internal staff see the value in our work, so they are asking us for a lot more." – PSE staff interview

"The team is getting pulled in different directions to address the needs of the community but they need to be more focused on providing proactive program outreach moving forward." - PSE staff interview

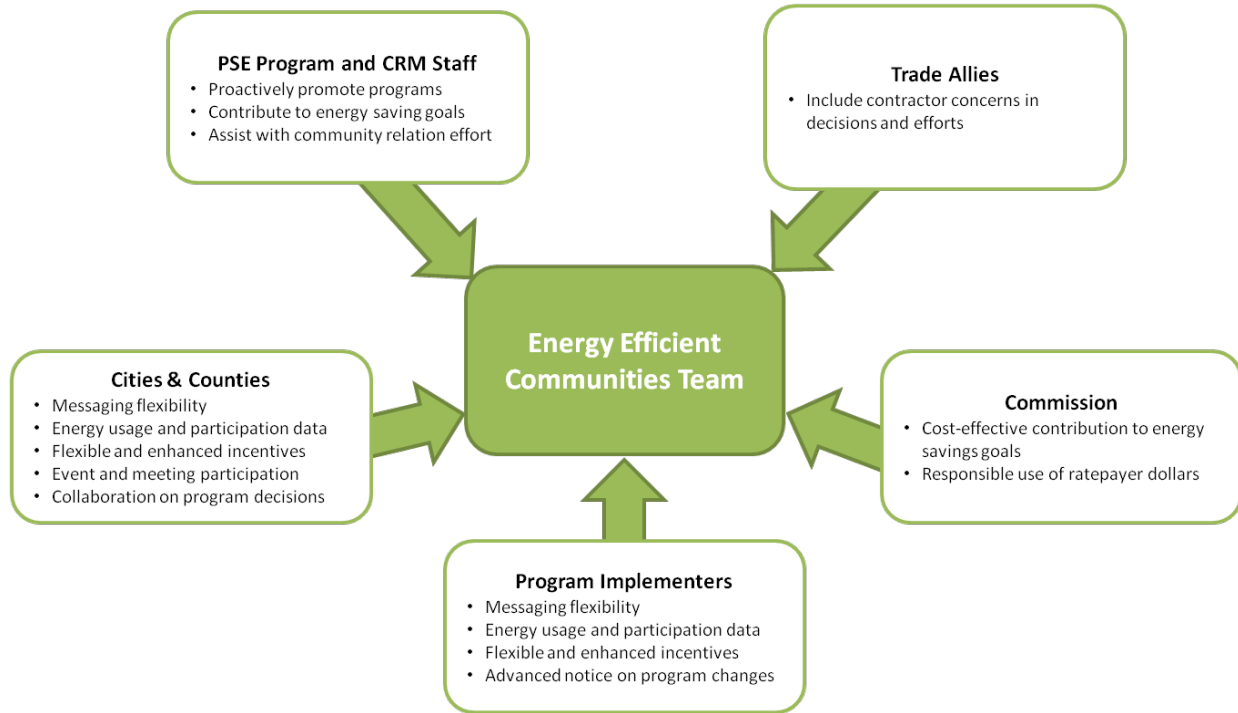*"Managing expectations is the biggest challenge." - PSE staff interview*

"Managing the expectations of partners messaging-wise is one of the biggest challenges." – PSE staff interview

"The first few years were about developing the relationships, and now it's about managing the demand." - PSE staff interview

As described in Section 2.4, in the first few years of the program PSE selected partners for the EE Communities program based on a strategic assessment of several criteria. During the ARRA phase PSE shifted this strategy by increasing capacity to work with all of the partners that were poised to receive funds. This broadened approach allowed PSE to establish effective relationships in a relatively quick timeframe. Internally, program staff was seeing increasing success with marketing programs through the EE Communities team's efforts. These successes established the team as valuable members of PSE's staff, but it also resulted in partners and PSE program staff establishing specific expectations of the EE Communities program.

PSE staff steadily cited managing expectations of multiple stakeholder groups as the most challenging aspect of the EE Communities program. Both external partners and other PSE staff place various demands on the team, and these demands have increased over the course of the program. In addition to partner and staff expectations, the EE Communities program is beholden to regulatory requirements and market actors such as trade allies and program implementers. Clearly stated EE Communities program goals should help alleviate unrealistic expectations. Figure 3 demonstrates examples of expectations for each of these stakeholder groups.

Figure 3. Stakeholder Expectations of EE Communities Team

PSE Program and CRM Staff
- Proactively promote programs
- Contribute to energy saving goals
- Assist with community relation effort

Trade Allies
- Include contractor concerns in decisions and efforts

Cities & Counties
- Messaging flexibility
- Energy usage and participation data
- Flexible and enhanced incentives
- Event and meeting participation
- Collaboration on program decisions

Energy Efficient Communities Team

Commission
- Cost-effective contribution to energy savings goals
- Responsible use of ratepayer dollars

Program Implementers
- Messaging flexibility
- Energy usage and participation data
- Flexible and enhanced incentives
- Advanced notice on program changes

While the team described high demand as a "good problem to have" since it implies that others find the program's support valuable, a decent amount of the team's time is spent ensuring that partners and program staff are clear on what the EE Communities team can, and cannot, provide. As mentioned in Section 4.1.2, a lack of clear goals and metrics add to this challenge. The EE Communities Team expressed concerns about a lack of guiding strategy to support them in assessing partner requests and opportunities, such as events and meetings.

Utilities with community partnership programs work to balance the demands of multiple stakeholders by offering uniform or "turnkey" options for partners to consider while strategically targeting partners based on their propensity to result in successful collaboration. PSE currently uses memorandums of understanding, co-branding guidelines, and customer acquisition payments.

This evaluation includes a number of recommendations for PSE to address managing expectations. Section 5.2 includes an in-depth review of these recommendations.

4.1.4   Program Tracking

"It would be nice to have some sort of system at our fingertips to track how the relationships evolve over time and how the organizations we work with react to our interaction and actually result in savings. We're working on this, but it's still in progress." – PSE staff interview

"Communities have personalities just like people." – Exemplary program interview

A community-based program does not generate typical energy efficiency program data. Rather than tracking installed measures, energy savings, and customer identification information, the EE Communities program handles data more akin to a business development or sales program.

Each partner relationship evolves over time and includes a series of interactions and touch points. More importantly, each community's demographics, program details, and climate action goals are unique. At minimum, EE Communities the team should be able to track ongoing interactions and agreements with partners in a centralized system. Ideally this system would allow PSE to follow these interactions through to program uptake and resulting energy savings. Furthermore, a tracking system could include assessments of each community's "personality", data to support those assessments, and indicators for the community's role in PSE's community-based strategy.

Currently, the EE Communities staff track partner relationships in a series of spreadsheets. PSE staff noted that specifications for a central database are being developed. While this evaluation did not include a process review of program tracking databases, Navigant has developed recommended specifications for PSE to consider as it develops an improved data tracking system. Section 5.2.5 includes an in-depth review of these recommendations.

4.2   Partner Relationships

This section presents findings on the community partnerships developed through the PSE EE Communities Program. The findings are drawn from in-depth interviews with PSE staff and community partners, and are supplemented with relevant insights from the best practice review.

4.2.1   Partner Motivations and Alignment with PSE Goals

"PSE views energy efficiency through measures and we view energy efficiency as whole building and non-energy benefits. We have similar goals with different approaches." – Partner interview

"PSE is used to working with trade allies and partners aren't the same as trade allies. We have different motives for doing this work." – Partner interview

"I'm not sure the utility (PSE) and the regulators understand that getting people to take action on energy efficiency takes more than throwing an incentive on the table. The utility has to present savings and tries to push specific measures on people to get them. You have to take a more holistic approach than that." – Partner interview

"Some of our program components are not as measurable as PSE needs them to be for regulatory purposes." – Partner interview

"Partners have similar but dissimilar goals. At times partners challenge PSE to alter the delivery of programs to meet their needs but we are regulated and can't bend as much as they want. Sometimes these challenges are technical in nature (such as some audit programs wanting to offer more technical audits than HomePrint or scoring audits differently), and sometimes it is a branding issue." – PSE staff interview

Interviews with PSE staff and partners revealed a few key, and potentially challenging, differences between partner and utility/commission goals and approaches. In short, the main motivation driving partner programs stems from a mission to provide *holistic* and *convenient* services to constituents to move them through the process of installing energy efficiency measures and changing their behaviors. These programs achieve energy savings via various tactics over the long term and by slowly transforming the

market in their community. Just as the EE Communities team achieves progress within communities through relationship building and frequent communication, partner programs look at each customer interaction as one in a series of a long term relationship. When it comes to partnering with PSE, this difference in program goals can create an underlying conflict that manifests in everything from technical requirements and processes, to data sharing and co-branding.

While partner program approaches are designed with energy savings targets in mind, these targets are rarely the primary driver behind day-to-day program tactics. Rather, as a best practice, partners focus their efforts on aligning with the customer's perspective and needs.[5] For example, the terms "convenience" and "one-stop-shop" are the most frequently used terms in partner outreach materials. These same materials often mention energy savings as secondary, or sometimes tertiary, program benefits. This "human-centric" approach to delivering energy efficiency programs is in line with the best practices revealed through this evaluation.

Partner interviewees explained that they often go back to residential or small business sites several times to encourage further action. In fact, "hand holding" and follow-up are key functions of many human-centric and community-based energy efficiency programs. This follow-up model can conflict with traditional utility energy efficiency programs, especially when utility program staff are responsible for reaching savings targets without being required to cross-reference or collaborate with other programs. While the intensive follow-up model obviously requires a greater investment of time in each individual customer than a one-time rebate-driven program, there is a growing body of evidence that the increased personal attention and follow-up leads to the installation of more measures (and thereby higher per-customer energy savings) and greater satisfaction and willingness to recommend the program to friends and family. See Sections 4.3.1 and 4.4 for relevant findings from the customer surveys and participation analysis regarding customer satisfaction, measures installed, and effects on PSE rebate programs.

Partners are also responsible for a different set of program metrics than the utility, and they often have more flexibility in tracking these metrics. In addition to energy savings, many partner interviewees mentioned non-energy benefits including jobs, health and safety indicators, and greenhouse gas emissions. Driving metrics can also vary depending on the community and its motivations. For example, one community may focus on job creation and economic development while another bases its decisions on reductions goals for emissions and electricity load. The commission requires PSE to justify its program expenses in terms of energy savings, so it can be difficult to quantify the EE Communities team efforts in a community whose primary goals are driven by job creation rather than kWh or therms.

This evaluation includes a number of recommendations for PSE to address these challenges. Section 5.2.3 includes an in-depth review of these recommendations.

4.2.2   Administration and Coordination

"It's difficult to keep up with what's going on. The differences between program rules, brands, etc. can create confusion and frustration with contractors." – PSE staff interview

"Changing rules and requirements of PSE programs are difficult to keep up with." – Partner interview

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[5] Fuller, M., C. Kunkel, M. Zimring, I. Hoffman, K.L. Soroye, and C. Goldman. *Driving Demand for Home Energy Improvements.* LBNL-3960E. September 2010. http://drivingdemand.lbl.gov/.

"Sometimes PSE program changes have a negative effect on or conflict with our programs. We would like to be given more of a heads up and possibly inform the decision process." – Partner interview

"Program changes are made without giving partners enough lead time to adjust; would be nice to have a process for partners to learn about projected changes and be kept in the loop; even 3-6 month projections would be helpful."
– Partner interview

"We need better communication regarding program requirements and changes." – Partner interview

"Data sharing has been a frustration for partners." – PSE staff interview

"PSE staff sometimes seems guarded about information; they need to let us in more. We need to trust each other. They don't seem to have a culture of sharing." – Partner interview

"Data is a challenge. Conversion data is not made available so we can't determine the success of the program if people did something through PSE." – Partner interview

"Getting data out of PSE is like bleeding a turnip." – Partner interview

"It was a headache to deal with the back and forth between contacts to verify customer the status for HomePrint audits." – Partner interview

"We would like to collaborate more closely on programs so we can maintain a consistent message to our shared customers." – Partner interview

The recent ACEEE report on the role of local governments in energy efficiency program implementation noted that close coordination between local organizations and utilities is crucial to success.[6] The exemplary program review conducted for this evaluation observed that utility and local government partnerships are frequently designed to channel customers into existing utility programs. Utilities also sometimes offer innovative financing opportunities such as on-bill financing and enhanced incentives in partner territories. Incentive payments from utilities to partners, such as PSE's Customer Acquisition Payment, seem to be an emerging trend. Incentive payment programs are less common than other partnership tactics but were cited as an innovative funding opportunity by the ACEEE report.

From an administration perspective, PSE has established a few key program administration procedures to help manage partner expectations and interactions, including memorandums of understanding and co-branding guidelines. These tools help the EE Communities team apply a blanket management approach to partner relations as best possible and establish a foundation for partnership logistics. Even with these tools in place, the partner interviews revealed a few areas of potential improvement for program administration and coordination. Specifically, most partner interviewees cited a need for improved communication regarding PSE program updates and more flexible rules around data sharing.

By design, most of the partner programs help customers navigate the various energy efficiency program offerings at the state, local, federal, and utility level. To be successful, partner staff must stay informed

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[6] Mackres, E., E. Alschuler, A. Stitely, and E. Brandt. *The Role of Local Governments and Community Organizations as Energy Efficiency Implementation Partners: Case Studies and a Review of Trends.* ACEEE and EESP White Paper. February 2012.

about program changes, closures, extensions, and goals. Several partner interviewees, as well as a program staff member, expressed that it is difficult to keep up to date on program offerings.

As noted earlier, EE Communities team members are valued by partners as a conduit for information about PSE programs. PSE may consider using the team to more proactively update partners on program status and upcoming changes, as well as engage partners in program decision making. Section 5.2 includes an in-depth review of specific recommendations related to partner communication.

Partner interviewees consistently expressed frustration with PSE's inability to share customer data. PSE staff is aware of this frustration and work through it as best possible; however staff is limited in how they can affect the related rules. This issue affects multiple partnership functions including customer verification pre-audit or program application and assessment of customer follow through. Overall, partners feel that they are unable to properly assess the success of their programs without knowing which customers followed through with program recommendations.

### 4.2.3 Partner Program Delivery Mechanisms

Many community-based programs are centered around the goal of customer service and conversion. Customers need hand-holding through the process of getting an audit, selecting the most cost effective measures, hiring a contractor, and completing the paperwork. Many PSE partner programs are focusing their efforts on making these processes easy and convenient for their constituents. This approach is in line with best practices; leading reports on consumers and energy efficiency cite confusion among customers as a top barrier.[7] In addition, LBL's report on driving demand for energy efficiency outlined the following key lessons for program designer and implementers:

- Retrofits are a tough sell: programs must make an appealing case to potential customers.
- Demands on homeowners around time and effort must be minimized.
- Participants drop out with each additional step and each time delay.
- Simply providing information and financing is insufficient to incentivize widespread improvements.
- Programs that opt for small concessions (i.e., "foot in the door" style direct install measures) should be clear with the participant that this is just the first step, and communicate that the intention is to help them achieve an ideal level of cost-effective energy efficiency with more significant measures in the near future.

Figure 4 helps demonstrate why customers are so confused and overwhelmed. While RePower's incentive guide is very well designed and does an excellent job of communicating incentives to customers, the various layers of program offerings and processes require an 11 page document with color coding and icons to help readers understand what is available to them and how to apply.

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[7] Mackres, E., E. Alschuler, A. Stitely, and E. Brandt. *The Role of Local Governments and Community Organizations as Energy Efficiency Implementation Partners: Case Studies and a Review of Trends.* ACEEE and EESP White Paper. February 2012. Fuller, M., C. Kunkel, M. Zimring, I. Hoffman, K.L. Soroye, and C. Goldman. *Driving Demand for Home Energy Improvements.* LBNL-3960E. September 2010. http://drivingdemand.lbl.gov/.

Figure 4. RePower Incentive Guide

Figure 4. RePower Incentive Guide
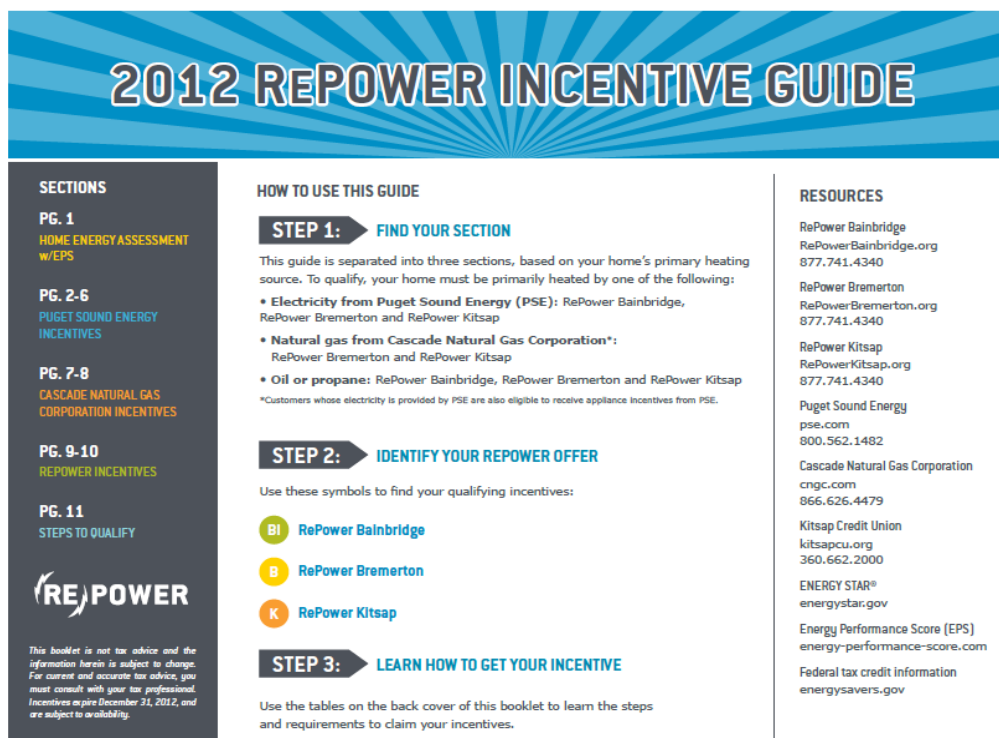
Choosing a contractor is another area of confusion and apprehension for customers. Thus, partner and utility coordination with trade allies is also a crucial component of community-based program delivery. Most community-based programs act as a clearinghouse for "qualified" trade ally information and aim to help customers wade through various options and bids. Many programs have even incorporated workforce development into their goals. Most programs reviewed market themselves as an "unbiased" or "trusted" resource for customers when selecting a contractor. Several PSE partner interviewees cited challenges with contractor referrals and qualification requirements, and some partners cited "access to trained workforce" as a challenge. On the flip side, trade allies can be equally as confused about program incentives and processes, and some may see community-based program requirements as a threat.

"Some contractors (trade allies) were frustrated with the ARRA programs coming in to their territories with other contractors and taking away business. We heard a lot of these complaints because of our relationships with trade allies." – PSE staff interview

As with most community based programs reviewed for this evaluation, PSE partner programs have deep networks of supporting stakeholders including utilities, non-profits, trade allies, local government agencies, and third party implementers. Each of these stakeholders must be clear about their role and must share the common goal of presenting a unified message and platform to "customers".

4.2.4   Outreach and Messaging Strategies

"You have to be present in the community. Be part of the community early and often." – Partner interview

"Customers need more education. Do what you can, and do as much as possible." – Partner interview

PSE's community level partners were found to be consistently using tactics that are in line with best practices for community-based marketing programs. The messaging reviewed for this evaluation was well targeted and crafted to resonate with each community as a whole as well as individuals within the community. Several PSE partners are deploying ongoing and comprehensive marketing campaigns using local community members as messengers. Partner outreach tactics were found to be in line with common tactics used by exemplary programs and include customer testimonials, public signage, and peer-to-peer referrals.

PSE staff indicated that co-branding with partners is sometimes a challenge. Co-branding is also cited as a challenge buy community-based programs across the country as these programs typically have a deep network of partners. Each partner must be clear about their role and must share the common goal of presenting a unified message and platform to customers.

4.2.5 Partner Perception of EEC Program

"Our partnership is a success." – Partner interview

"The EE Communities program is really valuable. PSE's efforts are sincere, visible, and helpful." – Partner interview

"PSE has done a great job. Having their team available to call with various questions has been a great resource and it makes things easy." – Partner interview

"Tell them thank-you." – Partner interview

"PSE staff has been great." – Partner interview

"PSE has helped make EE mainstream with its campaigns and incentives." – Partner interview

"PSE has wonderful resources." – Partner interview

"We understand that PSE is in a tough spot and they do a great job of improving and adjusting to feedback." – Partner interview

"It's a learning experience for all of us." – Partner interview

"PSE plays a very helpful (and difficult) role." – Partner interview

"PSE should help develop strategies for a regional effort." – Partner interview

"Need them to provide more financial support." – Online survey

"We were hoping they would provide enhanced incentives." – Online survey

"There doesn't seem to be a shared vision to reach goals in a strategic manner; we all have a role to play and need to optimize those roles." – Partner interview

"Would like more rebate stability (changing requirements, availability and restrictions)." – Online survey

Interviews with PSE partners revealed that communities overwhelmingly support, and appreciate the company's efforts to work with them at the local level. Every partner interviewee and survey respondent expressed gratitude for PSE's efforts. Even when discussing the challenges of working with PSE, partner interviewees often made a point of noting that they understood PSE's reasons for doing something a certain way. In addition, when discussing challenges interviewees expressed appreciation for staff's responsiveness to partner concerns and feedback.

When asked what they like about the EE Communities program, most partners indicated that they value having one person to contact at PSE, rather than having to bounce around to various contacts to get a question answered. Interviewees and online survey respondents also indicated that they consider PSE an important source of funding and regional coordination for EE projects and programs. Several partners emphasized that they feel there is vast potential to partner with PSE on a pilot basis to identify successful program approaches on a small scale.

4.3   Customer Attitudes and Awareness

The customer surveying completed for this evaluation examines the effect on customers of awareness-raising and customer service activities associated with three CEEP community-based efforts. As discussed previously in the report, the CEEP pilots are by no means the only community partnerships implemented by the EE Communities Program, but since they represent a significant investment in the community-based program delivery strategy within a distinct time period, the survey focuses on the effects of the CEEP program on customer awareness of and satisfaction with PSE. The survey contacted participants in CEEP and PSE audit programs as well as non-participants, and covered both residential and small business customers.

The survey was designed to establish metrics on customer awareness of and satisfaction with PSE's program offerings, community/goodwill activities, and overall value that can be tracked over time. While this survey was limited in scope and primarily focused on particular communities to assess the effects of the CEEP pilot efforts, the same questions can be used across PSE's service territory over time to track changes in metrics and assess the long-term influence of PSE's community-based energy efficiency partnerships. Section 5.3 discusses evaluation metrics in greater detail.

The residential customer survey findings are presented in Section 4.3.1, followed by the small business customer survey findings in Section 4.3.2.

4.3.1   Residential Customer Survey

The survey reached 122 residential customers who had received an audit, either through a CEEP partnership program or directly through PSE's HomePrint audit program. These "participants" were asked a series of questions about their experience with their home energy audit. Unless otherwise specified, "participant" refers to both PSE and CEEP audit recipients. The survey also reached 61 non-participants, defined as residential PSE customers who have not participated in a CEEP or PSE audit program. Both participants and non-participants were asked general questions about their attitudes and satisfaction with PSE, energy improvement work done at their homes, and demographic questions.

Awareness of Audit Program

About one in four (26%) participants reported that they learned of the option from a bill insert from PSE. Another 11% (13 customers) said they heard from friends or neighbors or via social media such as Facebook.

**Table 10. Source of Awareness of PSE or CEEP Audit Program**

Source	% of CEEP Participants	% of PSE Participants	% of All Participants
Bill insert	15%	32%	26%
Comment from friend or neighbor	15%	7%	10%
Radio or TV advertisement	3%	2%	3%
News story in newspaper, radio, or TV	5%	2%	3%
Facebook or other online source	3%	0%	1%
Other	50%	52%	52%
Don't know	10%	4%	6%

Awareness of PSE Efficiency Programs and Rebates

Among participants in CEEP and PSE programs, 75% recalled the auditor mentioning the availability of PSE rebates for energy-efficient equipment; there were no statistically significant differences between CEEP participants and PSE participants. However, it is important to note some survey respondents were asked this question up to two years after their audit experience and recall may have diminished with time; an additional 11% of participants said that their audits "maybe" mentioned PSE rebates.

Participants in CEEP and PSE programs are significantly more familiar with PSE programs and rebates than non-participants (Figure 5). Forty percent of participants rate their familiarity as a 6 or 7 on a 7-point scale. Participants in CEEP programs rate their familiarity with PSE programs just as highly as those who participated directly in PSE programs; there are no statistically significant differences between CEEP and PSE program participants. Among non-participants, residents of CEEP communities are no more aware of PSE programs than residents of non-CEEP communities.

Figure 5. Familiarity with PSE Energy Efficiency Programs and Rebates

Figure 5. Familiarity with PSE Energy Efficiency Programs and Rebates
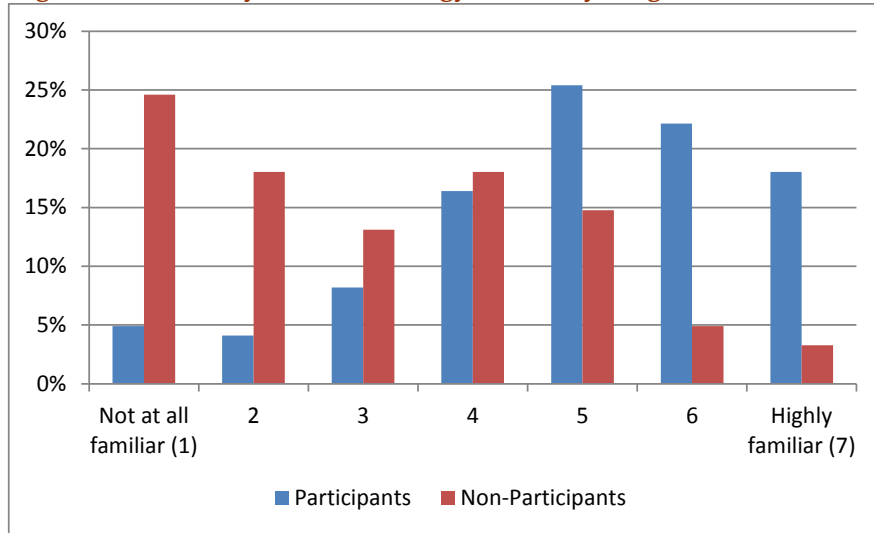
Awareness of PSE's Community Partnership Efforts

Not all CEEP participants are aware of PSE's involvement in the program that they participated in. When asked, "Have you heard news or comments in the past six months about PSE community partnership efforts to help small business managers and residential customers reduce their energy bills?" less than half of CEEP participants (48%) said yes. Forty percent of PSE participants indicated that they were aware of PSE's community partnership efforts; the differences between CEEP participants and PSE participants are not statistically significant. Non-participants living in CEEP communities are slightly more likely to be aware of PSE's community partnership efforts (16% compared to 8% living in non-CEEP communities), but the differences were not statistically significant.[8]

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[8] The non-participant sample was very small (61 total respondents) which limits the ability to assess differences between sub-groups. Additional surveying of non-participant populations may shed additional light on key differences between communities.

Table 11. Awareness of PSE's Efforts to Collaborate with Community Energy Organizations
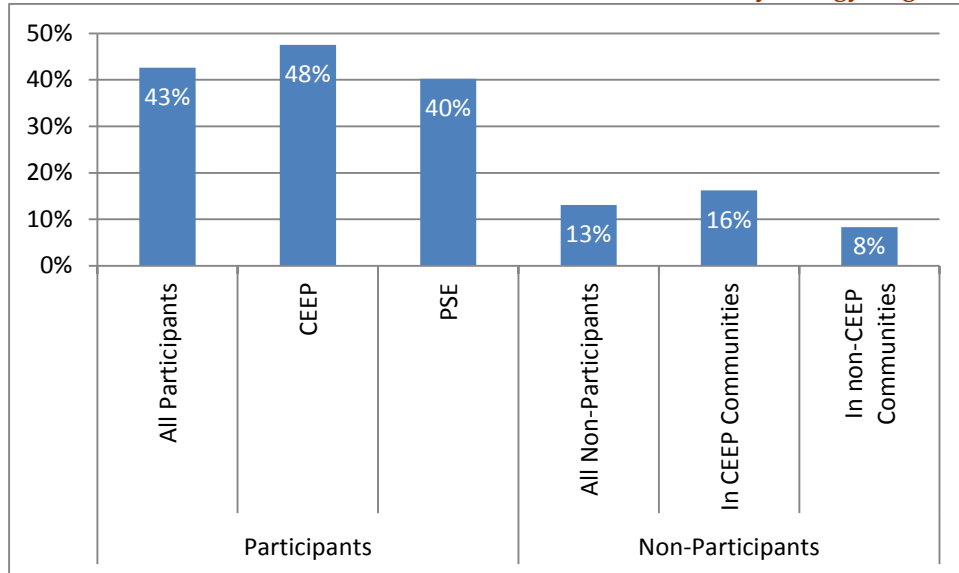

Satisfaction with Audit Program

Participants in CEEP programs appear to have a high degree of satisfaction with the program they participated in. CEEP participants indicated that they are significantly more likely to recommend the program that they participated in to family and friends, compared to participants in PSE (non-CEEP) programs. When asked to rank the likelihood of recommending the program to a friend on a scale of one to seven (with seven being "extremely likely), nearly three-quarters (73%) of CEEP participants ranked it as a 7, compared to less than half (43%) of PSE program participants. The difference is statistically significant at the 90% confidence level.

Similarly, CEEP participants were more likely to say that the audit *exceeded* their expectations than PSE participants. Nearly one-third (30%) of CEEP participants said that the audit exceeded their expectations, compared to 15% of PSE participants. Just 8% of CEEP participants said that the audit fell short of their expectations, while 21% of PSE participants said the same.

Figure 6. Participants' Experience with Audits Relative to Expectations
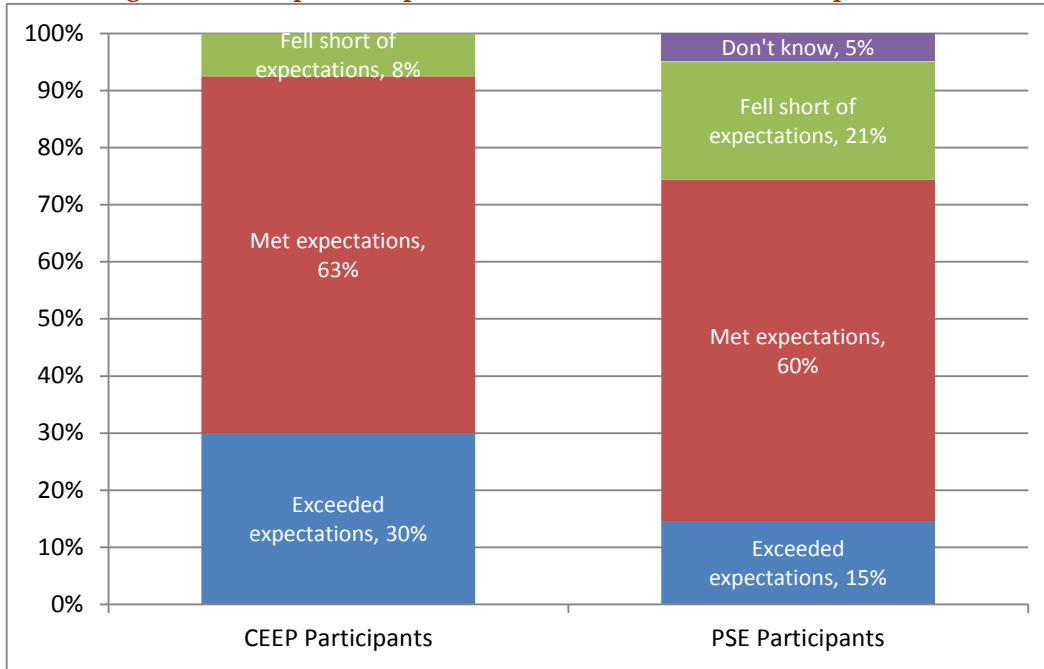
Energy Improvements

Participants in CEEP audit programs were significantly more likely to act on audit recommendations than participants in PSE (non-CEEP) programs. Nearly all (98%) of CEEP participants made energy efficiency upgrades in response to their participation in the audit program, compared to 82% of PSE participants; this difference between CEEP and PSE participants is statistically significant.

Table 12. Efficiency Actions Taken in Response to Audit

	CEEP Participant	PSE Participant
Made energy improvements or equipment upgrades	98%	82%
No changes	3%	17%
Don't know		1%
Note: Percentages do not add to 100% due to rounding.		

Of those participants who did not act on the audit recommendations given to them, 73% said that the audit recommendations were reasonable, and most did not take action due to financial constraints.

One-third of non-participating residential customers said they had energy improvements or equipment upgrades done in past two years (i.e., since 2010). Of the non-participants who had work done, 26 customers gave information on who did the work, and some respondents offered details on what was done. There was not an identifiable concentration of persons/agencies cited as doing the work. Many said they did the work themselves. A few mentioned government agencies; a few mentioned commercial contractors. CEEP projects were not mentioned, which is unsurprising because if they had directly participated in a CEEP program, they would have been included in the participant sample frame.

Table 13. Efficiency Upgrades by Non-Participants

	% of Non-Participants
Yes, did energy improvement work or equipment upgrades in past two years	33%
No	57%
Don't Know/Don't Recall	10%

Use of PSE Rebates

CEEP participants are not only more likely to act on audit recommendations than PSE participants, they are also more likely to take advantage of PSE's rebate programs to implement those recommendations. More than three-quarters (85%) of CEEP participants have used PSE rebates to purchase energy-efficient equipment or services, compared to 58% of PSE participants (a statistically significant difference).

**Figure 7. Use of PSE Rebates for Energy Efficiency Improvements**
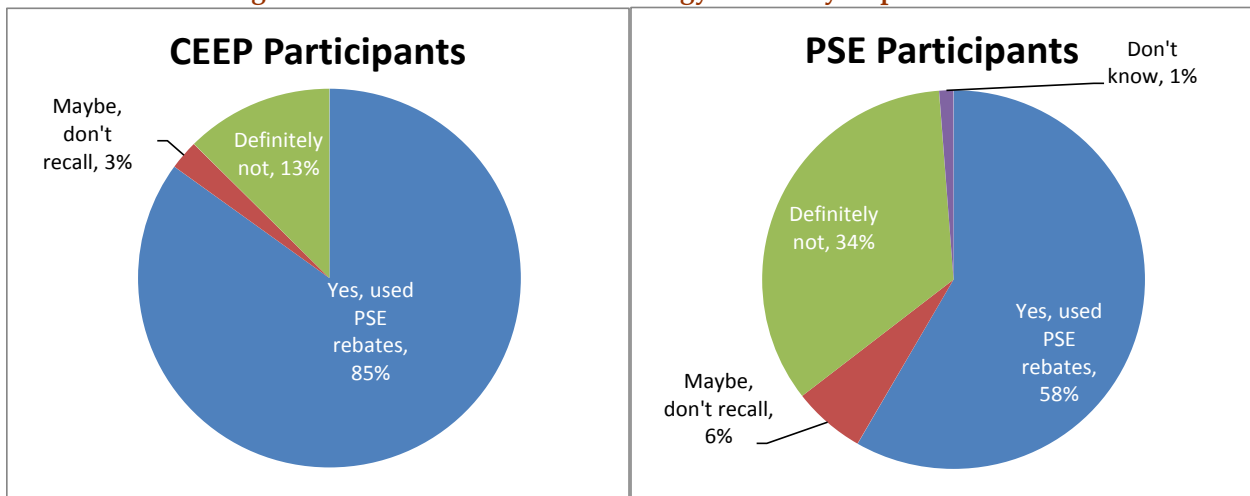
Nearly one-quarter (21%) of non-participants have also taken advantage of PSE rebates[9]; the differences between non-participants in CEEP and non-CEEP communities are not statistically significant.

Effects on Satisfaction with PSE

More than half (57%) of residential participants said their satisfaction with PSE went up as a result of the audit/improvement experience (Figure 8). However, nine percent said their satisfaction went down as a result of their participation. There were no statistically significant differences between CEEP participants and direct participants in PSE programs, indicating that the higher levels of satisfaction with the CEEP program audits do not necessarily translate into increased satisfaction with PSE. The link between CEEP and PSE in customers' minds may not be as strong as PSE would hope.

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[9] Recall that the term "PSE participant" in this context means a participant in PSE's audit program; the non-participant sample may include participants in other PSE programs.

Figure 8. Effect of Program Participation on Satisfaction with PSE
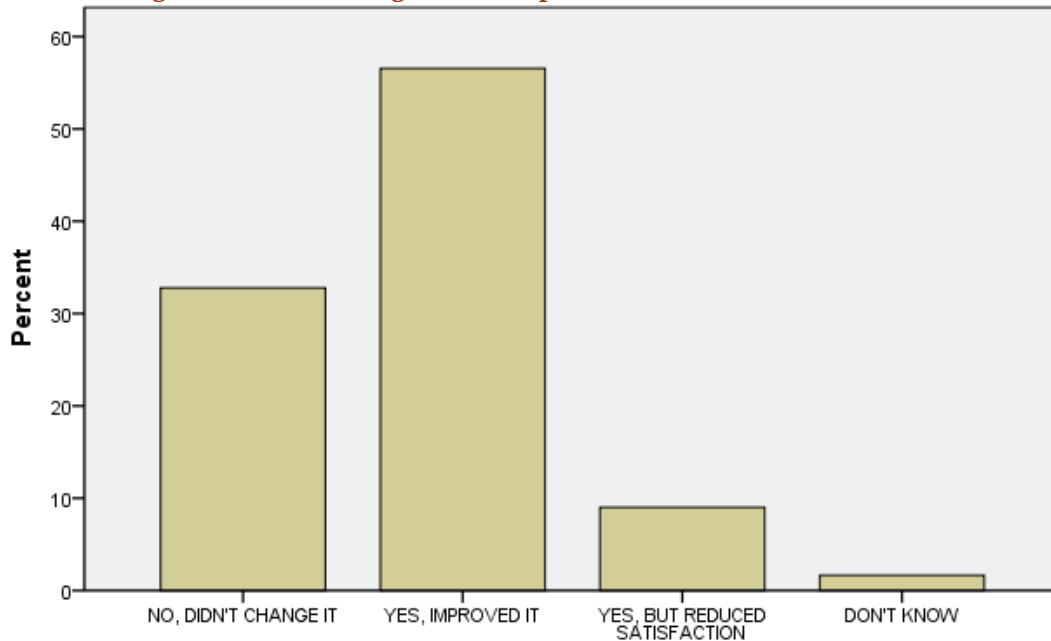
Respondents were asked to rate their overall satisfaction with PSE and the "value" of PSE's services on a 7-point scale in which 7 indicates high satisfaction. Overall, residential customers are highly satisfied with PSE, with an average satisfaction rating of 5.5 (on a 7-point scale) for participants and 5.2 for non-participants (Table 14); the differences between participants and non-participants are not statistically significant. Participants rate the value of PSE's services (relative to their utility bill costs) higher than non-participants; the average rating of the value of PSE's services is 5.2 for participants and 4.7 for non-participants, a statistically significant difference.

Table 14. Satisfaction with PSE and Value of PSE Services

Average Rating*	Participants	Non-Participants
Satisfaction	5.5	5.2
Value	5.2	4.7
*Average on a scale of 1 to 7 with 7 representing "high satisfaction" or "high value."		

There are no statistically significant differences between CEEP and PSE participants' satisfaction and value ratings.

Awareness of PSE Goodwill Activities

Among the many activities that PSE is involved in is a class of activities done with public goodwill in mind. These include seven activities that customers were asked about in the surveys:
- Managing lands near hydro dams for wildlife management and fisheries success
- No-charge home weatherization efforts for the needy
- Building/managing wind farms, that provide renewable power to the grid
- Rebates for energy efficient lights and appliances
- Job training for green jobs

- Free CFLs (compact fluorescent lightbulbs)
- Duct-sealing for manufactured homes

All seven of these activities were publicized by news releases on the PSE website.

A comparison of residential participants with non-participants surveyed at the same time shows that customers engaged with PSE for EE programs pay more attention to other PSE activities (Figure 9). Participants in PSE or CEEP programs were significantly more aware of PSE's rebates for energy efficiency, weatherization, wind farms, free CFLs, and duct sealing efforts.

Figure 9. Residential Customers' Awareness of PSE Goodwill Activities, by Participation Status

* Indicates a statistically significant difference between participants and non-participants.
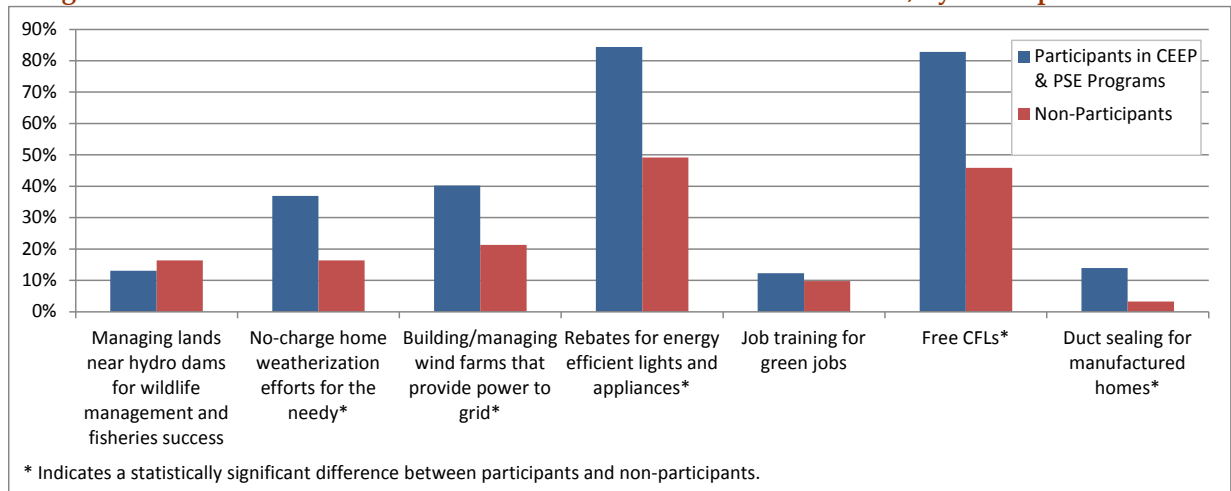
However, there are no statistically significant differences between CEEP participants and PSE participants, nor between residents of CEEP communities and non-CEEP communities, indicating that the enhanced community-based efforts in CEEP communities are not affecting residents' awareness of PSE's goodwill efforts in a significant manner.

4.3.2   Small Business Customer Survey

Awareness of PSE's Community Partnership Efforts

Over half (56%) of commercial program participants indicated that they had heard news about PSE community partnership efforts in their area within the past six months; however, less than half (40%) of CEEP area businesses recognized the name of the CEEP program active in their area.

Satisfaction with Audit Program

Over half (53%) of commercial program participants indicated that they were extremely likely (7 on a 7-point scale) to recommend the program to a friend, neighbor, or relative. The lowest rating was 4, a middling "may or may not recommend"; none indicated that they were unlikely to recommend the program.

CEEP participants were more likely to say that the audit "exceeded" expectations (as shown in Figure 10), similar to the residential customer survey findings, although the differences between CEEP and PSE program participants within the commercial survey were not statistically significant, perhaps due to the smaller sample size.

Figure 10. Commercial Participants' Experience with Audits Relative to Expectations
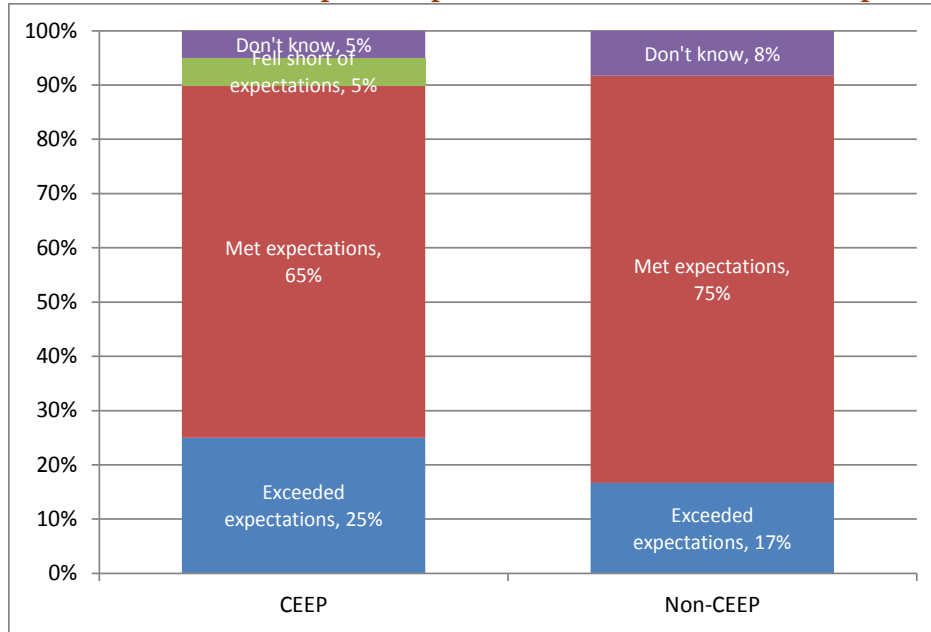
Effects on Satisfaction with PSE

Over half (56%) of participants found that their experience with the audit program increased their satisfaction with PSE; none indicated that their satisfaction with PSE decreased as a result of their program participation.

4.4   Influence of CEEP Partnerships on PSE Program Participation

Navigant analyzed PSE program databases to assess whether communities with an active CEEP program showed greater increases in PSE program participation than comparison (non-CEEP) communities from the 2008-2009 (pre-CEEP) time period to the 2010-2011 time period in which CEEP programs were active. Table 15 summarizes the CEEP communities analyzed as well as the non-CEEP comparison communities used in this analysis.

Table 15. Communities Used in Participation Analysis

CEEP Community (CEEP Program Name)		Non-CEEP Comparison Community
Federal Way (Sustainable Works)	⟺	Kent
Olympia-Lacey-Tumwater (OLT) (Thurston Energy)	⟺	Renton
Whatcom County (Opportunity Council)	⟹	Skagit County

The Navigant team reviewed PSE participation records for the following programs: Residential Rebates, Commercial Rebates, Small Business Lighting, and Net Metering. The findings presented in this section are based on actual program participation records and thus all comparisons between CEEP and non-

CEEP communities are "statistically significant." The comparisons are based on complete participation records, not a sample as with the survey results presented in the previous section. It should be noted that comparing participation levels between CEEP and non-CEEP communities does not definitively "prove" that CEEP programs are driving increased participation in PSE programs or not; however, comparing the change in participation relative to pre-CEEP levels in both CEEP and non-CEEP communities gives a strong indication of the influence of enhanced community-based outreach on PSE program participation.

Table 16 presents overall participation numbers for the six analyzed communities from 2008-2011 and the percent change in PSE program participation from 2008-09 to 2010-11. Each CEEP community had more significant increases in the number of PSE participants than their corresponding comparison (non-CEEP) community. Whatcom County in particular saw a significant increase of 77% in PSE participants from 2008-09 to 2010-11. Note that this table includes all participants in the four PSE programs listed above (Residential Rebates, Commercial Rebates, Small Business Lighting, and Net Metering).

Table 16. PSE Program Participation by Community (Percent Change, 2008-09 to 2010-11)

Community	# of PSE Program Participants				Percent Change, 2008/2009 to 2010/2011
	2008	2009	2010	2011	
Federal Way (CEEP)	223	531	664	451	48%
Kent (non-CEEP)	302	693	906	490	40%
Thurston (CEEP)	682	1,872	2,228	1,446	44%
Renton (non-CEEP)	357	735	967	496	34%
Whatcom County (CEEP)	227	439	561	618	77%
Skagit County (non-CEEP)	198	394	371	369	23%

Participation in PSE programs increased in 2010-2011 relative to 2008-09 levels in each of the analyzed communities for each program, with the exception of a slight decrease in participation in net metering in Skagit County (a non-CEEP community). Although nearly all programs in CEEP and non-CEEP communities alike saw increases in PSE program participation, **CEEP communities had significantly greater increases in participation than non-CEEP communities for nearly all programs**, as shown in Figure 11.

Figure 11. Percent Change in PSE Participation by Program, 2008-09 to 2010-11
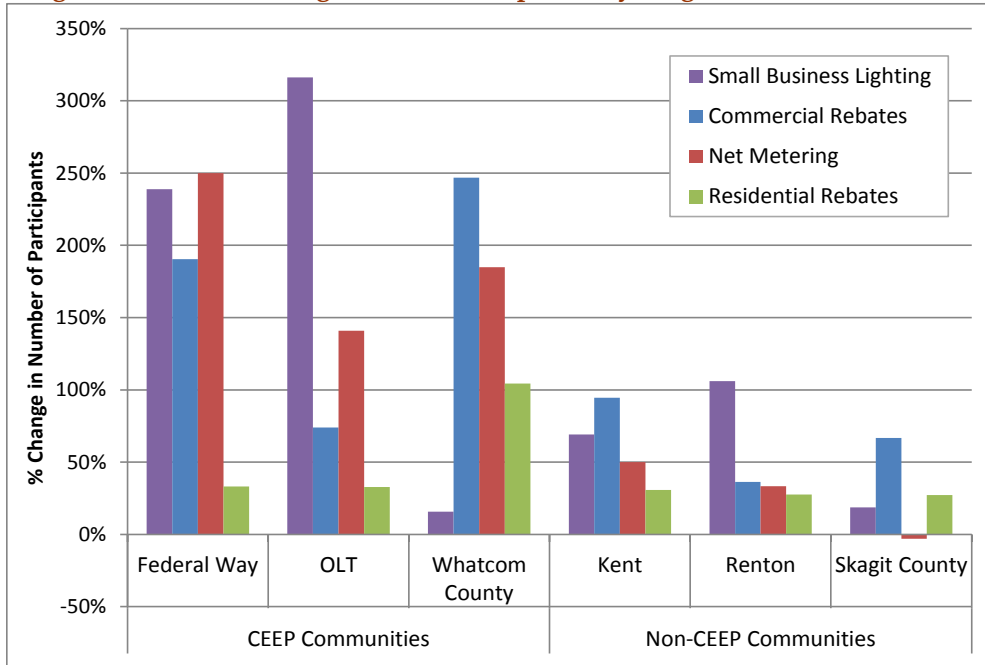

Close examination of program participation at the community level (as shown in Figure 11 above) reveals that the only CEEP community which saw slower participation growth in any program than its corresponding comparison community is the Small Business Lighting program in Whatcom County, which had a smaller increase in number of participants than nearby non-CEEP community Skagit County. However, a close review of the program database reveals that although the number of participants in Whatcom County did not increase as much as in Skagit County, the number of installed measures increased more significantly in Whatcom County[10], indicating that Whatcom County participants in the Small Business Lighting program likely achieved greater energy savings than their counterparts in Skagit County.

CEEP communities had more significant increases in commercial program participation than in residential programs. Figure 12 summarizes the communities with the most dramatic increases in specific PSE program participation, relative to their comparison communities. The Federal Way and Olympia-Lacey-Tumwater communities (both CEEP communities) had increases of 239% and 316%, respectively, in the number of Small Business Lighting program participants from 2008-09 to 2010-11, while their comparison communities of Kent and Renton had respective increases of 69% and 106%. Similarly, participation in the Commercial Rebates program increased nearly 250% in Whatcom County, compared to 67% in non-CEEP Skagit County. Participation in the Residential Rebates program increased modestly between 27% and 33% for all communities except Whatcom County, which had a dramatic 104% increase from the pre-CEEP era (2008-09) to 2010-2011 participation levels.

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[10] The number of measures installed through the Small Business Lighting program increased 21% in Whatcom County from 2008-09 to 2010-11, compared to a 14% increase in Skagit County.

Figure 12. CEEP Communities with Significant Increases in PSE Program Participation
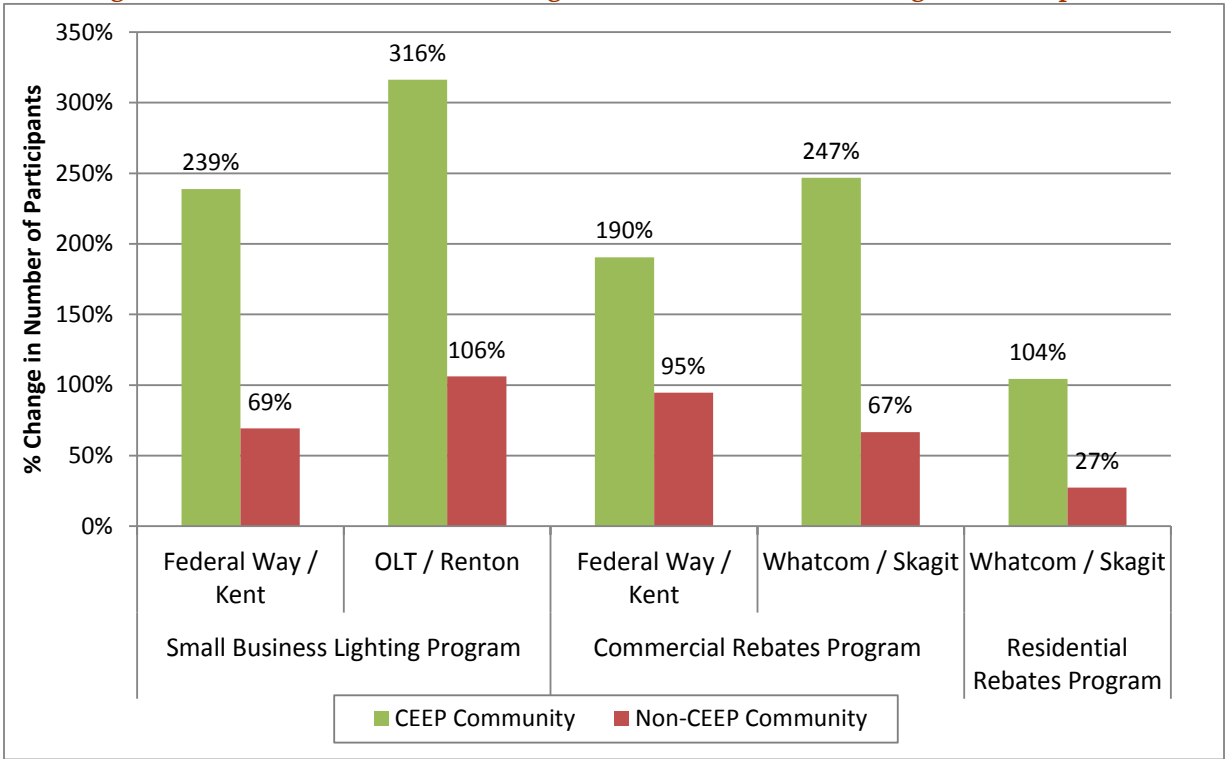
4.4.1   Changes in PSE Commercial Program Participation

Figure 13, Figure 14, and Figure 15 present participation levels in PSE's commercial programs in 2008-2009 and 2010-2011 in a map format for Federal Way/Kent, Olympia-Tumwater-Lacey/Renton, and Whatcom County/Skagit County comparisons, respectively. The green shaded areas represent zip codes within CEEP communities; the red shaded areas represent zip codes within non-CEEP comparison communities. The intensity of the shading represents the number of PSE commercial program participants per 100 customers to enable comparison across densely and lightly populated areas. The left-hand map represents participation in the pre-CEEP era (2008-2009); the right-hand map represents PSE participation during the time period in which the CEEP pilots were active (2010-2011). The percentages on the right-hand map represent the percent change in PSE program participation from 2008-09 to 2010-11 for each zip code.

Figure 13. Changes in PSE Commercial Program Participation from 2008-09 to 2010-11, Federal Way (CEEP) and Kent (non-CEEP) Communities

Figure 14. Changes in PSE Commercial Program Participation from 2008-09 to 2010-11, Olympia-Lacey-Tumwater (CEEP) and Renton (non-CEEP) Communities

Figure 15. Changes in PSE Commercial Program Participation from 2008-09 to 2010-11, Whatcom County (CEEP) and Skagit County (non-CEEP) Communities

4.4.2 Changes in PSE Residential Program Participation

Figure 16, Figure 17, and Figure 18 present participation levels in PSE's residential programs in 2008-2009 and 2010-2011 in a map format for Federal Way/Kent, Olympia-Tumwater-Lacey/Renton, and Whatcom County/Skagit County comparisons, respectively. As with the commercial program maps presented above, the green shaded areas represent zip codes within CEEP communities; the red shaded areas represent zip codes within non-CEEP comparison communities. The intensity of the shading represents the number of PSE residential program participants per 10,000 customers to enable comparison across densely and lightly populated areas. The left-hand map represents participation in the pre-CEEP era (2008-2009); the right-hand map represents PSE participation during the time period in which the CEEP pilots were active (2010-2011). The percentages on the right-hand map represent the percent change in PSE program participation from 2008-09 to 2010-11 for each zip code.

Figure 16. Changes in PSE Residential Program Participation from 2008-09 to 2010-11, Federal Way (CEEP) and Kent (non-CEEP) Communities
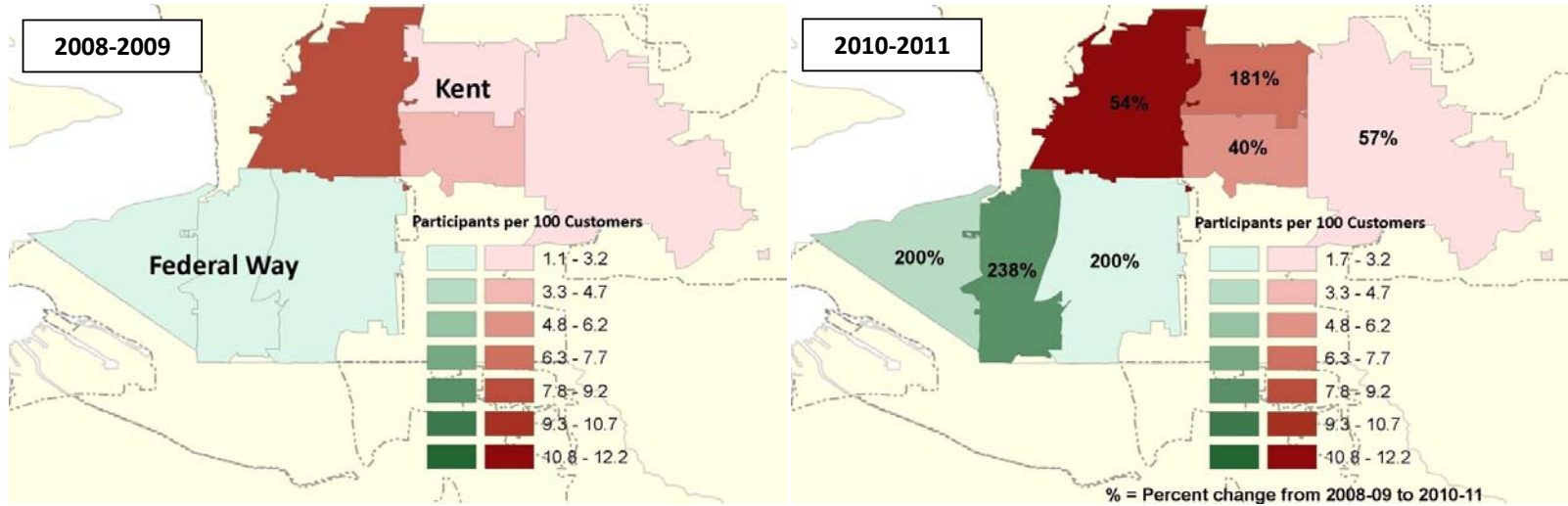

Figure 17. Changes in PSE Residential Program Participation from 2008-09 to 2010-11, Olympia-Lacey-Tumwater (CEEP) and Renton (non-CEEP) Communities
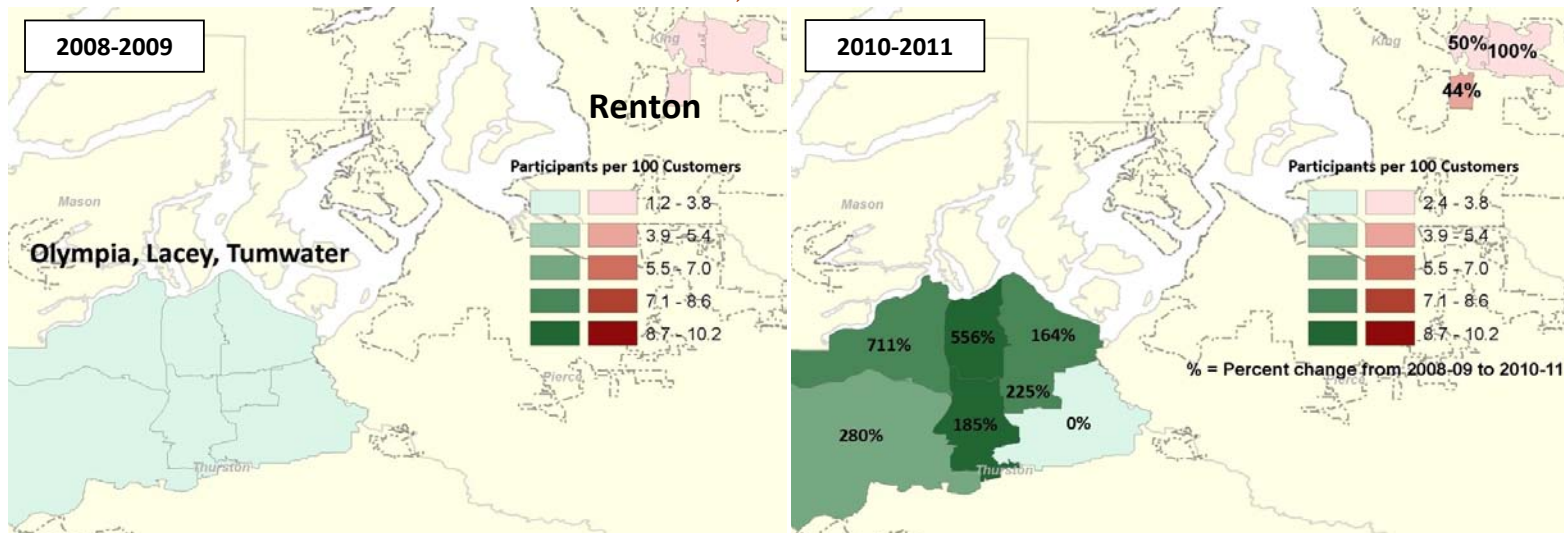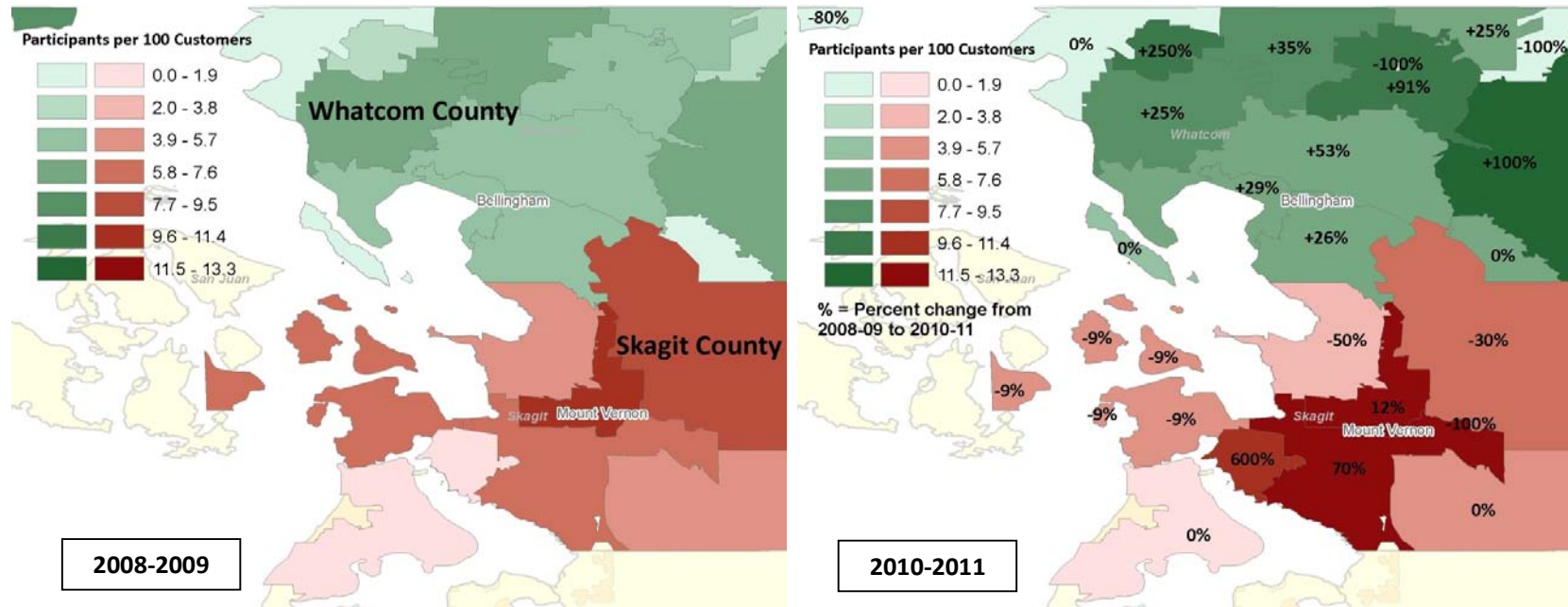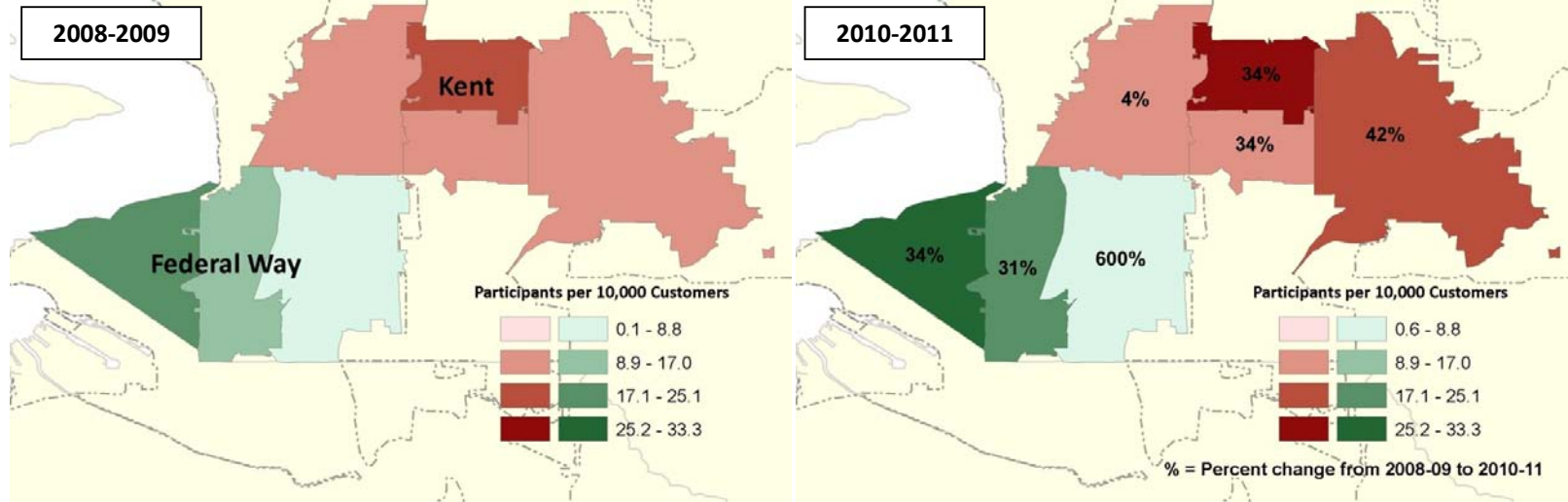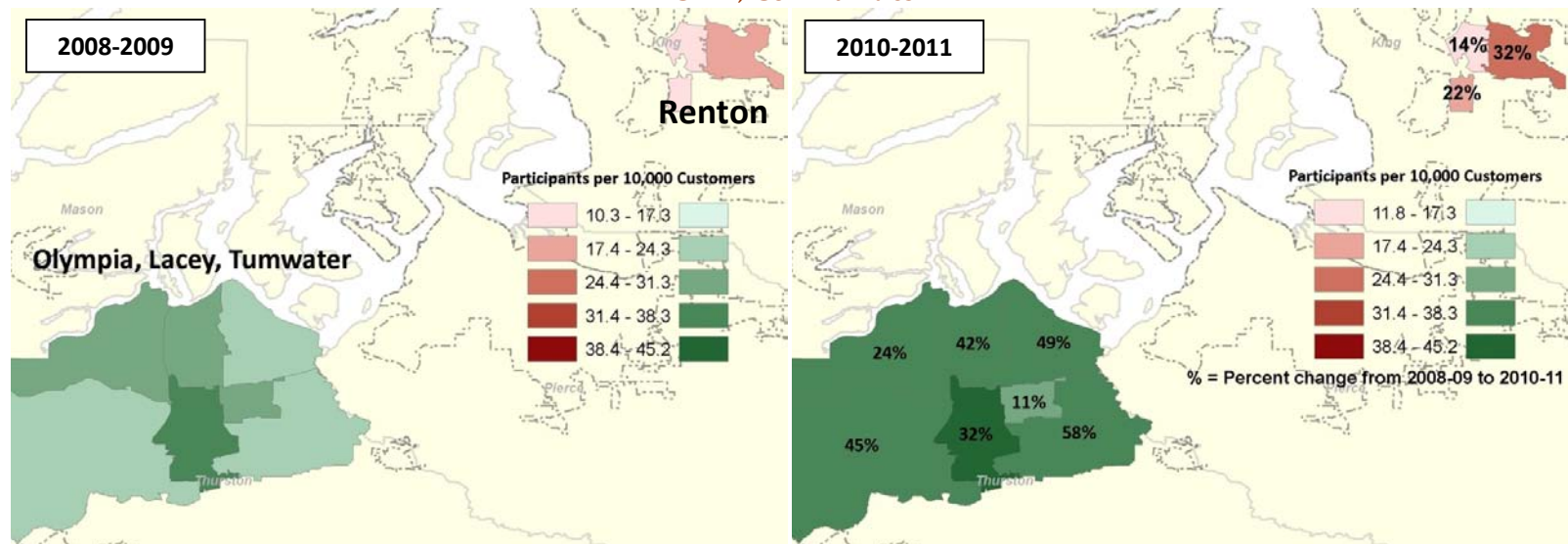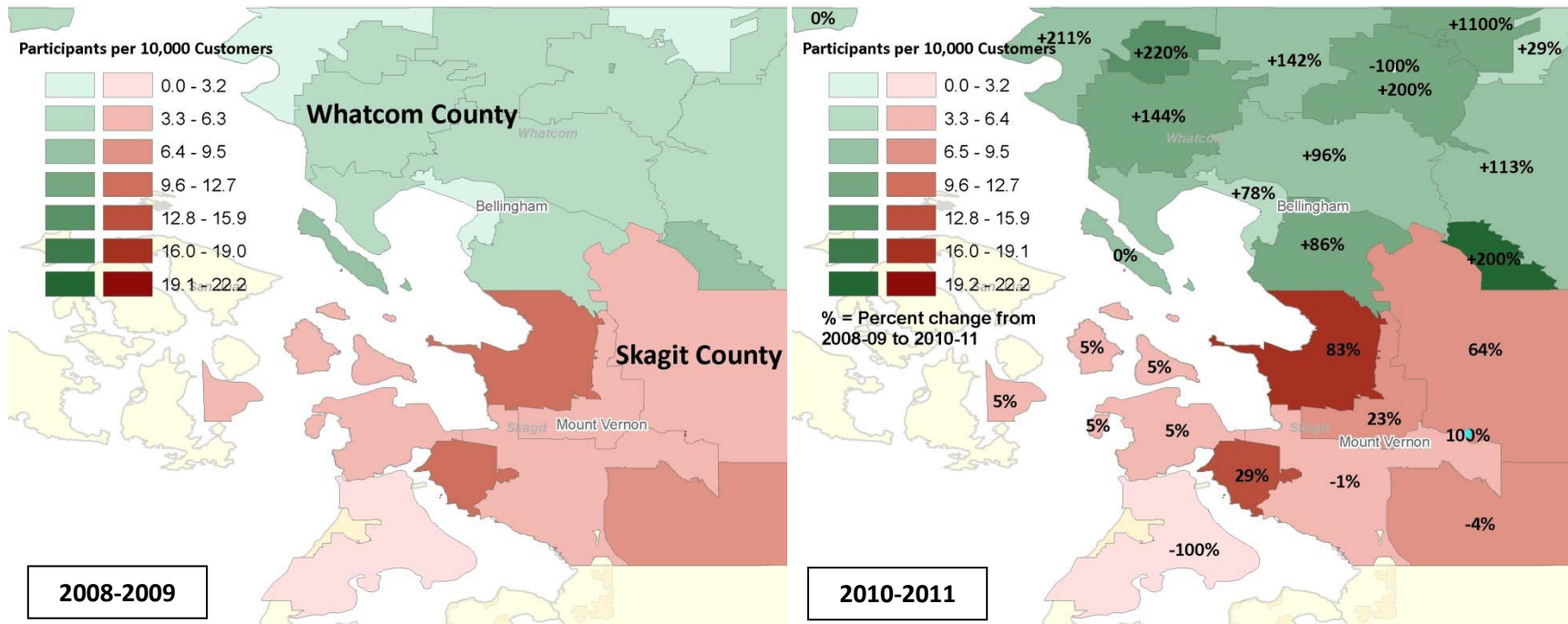
Figure 18. Changes in PSE Residential Program Participation from 2008-09 to 2010-11, Whatcom County (CEEP) and Skagit County (non-CEEP) Communities

The analysis of PSE program participation indicates that CEEP programs are having a strong effect on PSE program participation levels. Although both CEEP and non-CEEP comparison communities saw increases in PSE program participation from 2008-09 to 2010-11, the increases in the number of participants living in CEEP communities are noticeably more significantly than in comparison communities, particularly for commercial programs. This finding indicates that the enhanced community-based outreach strategies such as those employed by the CEEP programs are effective at channeling participants into PSE programs at higher rates than traditional marketing and outreach efforts.

4.5 Best Practices in Community-Based Program Delivery Mechanisms

The team conducted a review of the initiatives fielded by the EE Communities Program and partnering organizations as well as exemplary community-based programs conducted nationwide to identify best practices and challenges. Results of the review are included in this section.

The term "best practice" should be viewed with caution; one of the recurring themes in the literature is that community-based program delivery mechanisms work largely because they customize program delivery to the specific targeted population. One community's "best practice" may be utterly ineffectual in another community. Thus, Navigant sought best practices that were strategic rather than prescriptive in nature and identified common practices that may be better considered "benchmarks" rather than "best practices." Community-based program delivery mechanisms are increasingly popular and the field is evolving rapidly. Navigant encourages the EE Communities Team to continue to experiment and innovate and learn what strategies work best in the communities served by PSE.

4.5.1 Program Structure

Exemplary programs reviewed by the Navigant team revealed several common components. Table 17 outlines and defines these components.

Table 17. Exemplary Community-Based Program Components

Exemplary Community-Based Program Components
Provide customers with one point of contact throughout the process. Often referred to as an energy coach or energy advisor.
Use audits as a starting point in the process with clear communication to customer that the audit is just the beginning.
Offer tiered audits with direct installation of "low hanging fruit" measures and a technical audit to identify and prioritize larger measures.
Assist customers with gathering and interpreting quotes from contractors and scheduling work. Often provide "preferred" or "pre-qualified" lists of contractors.
Assist customer with identifying qualified incentives and completing paperwork for each incentives.

Exemplary Community-Based Program Components
Conduct consistent and ongoing follow up throughout retrofit process including: ▪ Before audit to answer questions and alleviate concerns   ▪ During audit (direct installs performed by energy coach in some cases); some offer to be present during technical audit to answer questions   ▪ After audit to interpret audit report and identify best next steps   ▪ During retrofit process to check on progress   ▪ After retrofit process to ask for feedback and encourage additional actions
Address financial barriers via financing partnerships with banks or contractors, negotiating bundled pricing with contractors and working with utilities to offer augmented incentives and on-bill financing.
Collaborate with local codes, policies and real estate processes. Examples include rental codes, home sales requirements and building score programs.
Definition of "community" is flexible; for example, it could mean geographic location, school district, church group, or neighborhood.
Marketing and outreach tactics focus on sense of community and incorporate behavioral science (norms, diffusion, framing, prompts, commitments and feedback).

4.5.2   Marketing and Outreach

Exemplary programs reviewed by Navigant use a variety of marketing and outreach tactics. Overall, successful campaigns are comprehensive and consistent, and touch potential customers in a variety of ways. Best practices include deploying ongoing and comprehensive marketing campaigns using local community members as messengers. Table 18 outlines the tactics most often used by exemplary programs.

Table 18. Exemplary Program Marketing and Outreach Tactics

Marketing and Outreach Tactics
Customer testimonials
Building labels (door stickers, window decals, yard signs) to publically recognize participants
Visible equipment (uniforms, vehicles, etc.)
Process oriented videos to demonstrate how to participate
Peer-to-peer referrals
Feedback displays (real time energy usage displays, website tickers showing savings)
Traditional channels such as advertising and PR

While messaging is well targeted and crafted to resonate with each community as a whole as well as individuals within the community, the best practice review revealed a clear theme among exemplary program materials. Figure 19 shows the commonly used terms in the materials reviewed for this report, which include websites, videos, social media accounts, and advertising materials. Font size indicates the frequency at which terms were observed.

Figure 19. Frequently Used Terms in Marketing Materials

4.5.3 Utility Relationships

As mentioned earlier, close coordination between local organizations and utilities is crucial to successful community-based programs. Partnerships can take a variety of forms. Utility/local organization partnership components and issues observed by the review team are outlined in Table 19.

Table 19. Partnership Components

Utility and Local Organization Partnership Components
Utility is one of many partners.
Implementing organizations aim to make the process easy for customer, so the utility may not be mentioned as a leading partner or until it's time for incentives.
Clear co-branding requirements should be in place to outline how and when the utility should be referenced.
Some utilities offer on-bill financing as their contribution to the community-based program.
Utilities offer time-limited incentives to achieve follow up energy efficiency savings post audit.
Utilities promote partnerships and profile community progress via websites and other communications.

4.5.4 Program Challenges

Interviews with exemplary program contacts revealed a number of common challenges met by community-based programs. Table 20 outlines the common challenges observed by the review team.

Table 20. Community-Based Program Common Challenges

Common Challenges
Keeping staff and advisors updated on incentives and other program opportunities.
Handling case-specific and challenging questions from customers.
Maintaining an unbiased perspective when referring customers to contractors.
Identifying sustainable revenue for long term success.

Common Challenges
Delivering cost-effective savings.
Balancing high demand in some areas of a territory (city or county) with the mandate to offer equal access to incentives.
Data sharing between multiple stakeholders (utility, local government, implementing organization).
Politics.
Relationship management between contractors, partners, funders, staff and customers.
Access to skilled workforce.

5.   Conclusions and Recommendations

5.1   Conclusions

The findings of this evaluation lead Navigant to conclude that the EE Communities Program has a unique and valuable role to play within the PSE organization and the communities served by PSE. **Community partners place a high value on the EE Communities team's efforts** to collaborate, pilot innovative outreach strategies, and keep communities apprised of PSE's program opportunities. As the program matures, the EEC Communities team members have proven their worth to internal stakeholders and community partners alike, and are now in the position of having to manage the demand for their services. Moving forward, it will become increasingly important to make strategic decisions about community partnerships and to manage expectations from partners and stakeholders. While **part of what makes the EE Communities Program successful is their ability to customize partnerships to best suit the needs of individual communities**, there are some opportunities to streamline processes that are common to most partnerships and that regularly present challenges, such as tracking and data sharing, to avoid reinventing the wheel with each new partnership. **The key to the program's future success will be in finding a balance between maintaining the flexibility to cater to each community's unique combination of needs, motivations, program goals, delivery mechanisms, and demographics and reaching PSE's internal goal of leveraging community channels to increase participation in PSE's programs.** Section 5.2 provides recommendations on how to move toward achieving that balance.

The impact of the EE Communities Program on participation in PSE's customer energy efficiency programs is difficult to assess directly because the EE Communities team work with such a wide variety of community partners across the PSE service territory at varying levels of engagement. However, the CEEP partnerships (funded by ARRA) represent significant, large-scale investments in enhanced community-based outreach strategies during a finite period of time (2010-11), and thus present a unique opportunity to evaluate the effectiveness of community-based outreach at increasing utility program participation. Navigant reviewed PSE program databases for three CEEP communities and three non-CEEP comparison communities for program years 2008 through 2011 and found that **PSE program participation increased significantly more in CEEP communities than in non-CEEP communities** during the 2010-11 time frame following the introduction of CEEP in early 2010. The increased participation was particularly apparent in PSE's commercial programs, with participation tripling or quadrupling in several CEEP communities between 2008-09 and 2010-11, although CEEP communities saw higher increases in residential rebate programs than did non-CEEP communities during the same period as well. It is important to note that channeling customers to PSE rebate programs was not the *only* goal of the CEEP programs, which themselves on taking a more holistic/whole-house approach that did not always align with PSE's measure-driven rebate programs, which makes the notable effect on PSE participation in CEEP communities all the more impressive.

Not only did CEEP communities show higher participation in PSE programs, but the surveyed **CEEP audit program participants were more likely to report actually installing measures and taking advantage of PSE's energy efficiency rebates** than participants in PSE's HomePrint audit program. This survey finding indicates that the community-based CEEP programs—which rely on a human-centric approach of building a close relationship with the customer to guide them step-by-step through the entire audit and retrofit process—are effectively encouraging customers to implement the audit recommendations. **CEEP participants are also more satisfied with their audit and retrofit experience**

than PSE program participants, with CEEP participants indicating a significantly higher likelihood of recommending the program to their family and friends. CEEP participants also were far more likely than PSE participants to say that the audit exceeded their expectations. The findings of the customer surveys and the participation analysis both indicate that the community-based strategies adopted by CEEP are effective at persuading customers to adopt energy-efficient practices and are appreciated by customers, and PSE should continue to support the development and expansion of community partnerships.

Although the CEEP partnerships have worked well overall for both PSE and their community partners, PSE's community partnerships are not without challenges. PSE has indicated that co-branding has sometimes been a challenge, and the survey results indicate that many CEEP participants are unaware or unsure of PSE's role in the audit programs that they participated in, and they do not indicate higher awareness of PSE's community partnerships and goodwill activities than participants in PSE programs. However, CEEP participants indicated that they are just as aware of PSE program offerings as PSE program participants, and more CEEP audit participants used PSE rebates than did PSE audit participants. Though it would be nice for PSE to gain additional community goodwill by having their contributions to the CEEP partnerships recognized by customers, **the lack of prominent PSE branding on some program marketing materials does not appear to be diminishing PSE's brand or customer awareness of PSE programs in any way.**

The PSE EE Communities Program faces additional challenges as they move into the next phase of the program's evolution, including data sharing and balancing the demands of internal and external stakeholders. Perhaps the most significant opportunity for improvement is data tracking and sharing, both internally (to share market intelligence about communities with other program staff) and externally (to enable community partners to assess the effectiveness of their efforts to drive participation into PSE programs). Another potential challenge is balancing the demands of internal stakeholders who want the community partnerships to drive customers directly into PSE efficiency programs and community partners who may want to implement an approach that does not align perfectly with PSE's existing program offerings. The following section presents recommendations to help PSE navigate these challenges moving forward.

5.2   *Recommendations*

PSE should be careful to avoid losing the EE Communities team's ability to implement flexible and innovative partnerships. If the team's responsibilities become too driven by the need to push programs and measures based on PSE's needs rather than partner needs, the program will likely decrease in effectiveness.

Closer communication with program staff could be a good thing, but the partner perspective needs to be valued and taken seriously.

5.2.1   EE Communities Program Strategy

PSE should articulate a clear strategy for the EE Communities Program, and carefully define the scope of the team's responsibilities for both internal and external parties. This strategy/scope should allow the team an appropriate level of flexibility to develop and maintain effective partnerships but also enable staff to identify when something is clearly beyond the scope of their team's responsibilities.

A crucial part of defining the program's strategy is establishing metrics and criteria for success. Navigant encourages PSE to establish metrics that reflect the variety of ways in which the EE Communities team

contributes to the overall success of the PSE organization. The EE Communities team has a valuable role to play within the organization not only in directly establishing community partnerships that help drive participation into PSE's energy efficiency programs, but also in:

- **Market Intelligence:** Gaining a more sophisticated understanding of the individual communities that comprise PSE's service territory and the varying needs and characteristics of those communities.
- **Relationship Building:** Establishing goodwill and trust between PSE and local governments/community groups.
- **Communications:** Serving as a liaison between PSE and community groups/trade allies/program implementers/others who are in the field working with customers who struggle with keeping up to date with changes in PSE programs and who also may recognize opportunities that PSE has missed and can provide valuable feedback on program design.
- **Innovation:** Piloting innovative approaches to program delivery (such as the human-centric, holistic approaches employed by CEEP programs) which may result in recommendations to improve PSE program design and implementation and help establish PSE as a leading edge efficiency program provider.

The full benefits of these types of activities rarely materialize immediately, which can make cause-and-effect relationships difficult to observe, but they undoubtedly contribute to the long-term success of an energy efficiency program portfolio. It may be helpful to think of the EE Communities Program as something akin to an emerging technologies program; the EE Communities Program is laying the groundwork for future partnerships and program strategies. Not all partnerships or pilot programs will mature, just as not all emerging technologies ever make it into the portfolio, but it's important to continue to test and refine new program delivery approaches and to maintain good relationships with entities who may contribute to future successes. **Navigant recommends that PSE assess the effectiveness of the EE Communities team on qualitative performance metrics, not solely on quantitative metrics regarding program participation or energy savings**, so that the long-term benefits of a community-based approach can be recognized within the organization. See Section 5.3 for more discussion on evaluation metrics.

5.2.2   Internal Program Positioning & Processes

As discussed in the previous section, PSE needs to be clear internally what role the EE Communities team plays in relation to other staff and departments. Community-based programs are often viewed as enhanced marketing or community relations staff at other utilities, and are not typically held accountable by tracking program channeling results. If the EE Communities team is to be evaluated on the success of its contributions to other PSE energy efficiency programs' participation and energy savings goals, care must be taken to preserve the distinction between the EE Communities team and other program staff. The EE Communities team has worked hard to establish partnerships with community organizations across PSE's service territory, and the success of those partnerships are dependent on the mutually beneficial nature of the relationship. If partners start feeling as though PSE is simply trying to push specific programs through a community channel rather than maintaining two-way communication about community needs in relationship with PSE program offerings, it could damage those relationships significantly and decrease the effectiveness with which the EE Communities Program meets its other goals. **The EE Communities team needs to carefully preserve the two-way communication between PSE and partners as they adopt a more proactive program outreach role within PSE**, and ensure that community voices are heard when PSE is making program planning and outreach decisions. PSE should

be careful to avoid losing the program's ability to implement flexible and innovative partnerships based on individual communities' needs.

Other recommendations related to internal positioning and processes include:

- Establish and communicate clear internal processes for engaging the EE Communities team in program decisions.
- Formalize EE Communities program offerings for internal staff. This may involve developing a "services menu" for staff reference; this menu would outline what the EE Communities team can provide in terms of program support, and could include timelines for staff requests, calendars for yearly or ongoing event opportunities, etc.
- Clearly communicate the EE Communities program value and strategy to PSE program staff on an ongoing basis.
- Ensure that PSE leadership recognizes the program's value by highlighting efforts in leadership and all staff meetings and other internal communications
- Highlight community "personalities" and profiles in internal communications to ensure that staff members understand each community's traits.

5.2.3   Partnership Processes and Selection

It bears repeating that a key aspect of the EE Communities Program's success has been the ability to customize partnership activities to the specific community involved; however, customization does not require starting from scratch for each new partnership. **Navigant recommends that the EE Communities team work to identify common processes that occur in most partnerships (particularly ones that regularly present challenges, such as data sharing) and develop documented processes that help guide partners** through the various stages of developing and implementing a partner program. These documents can be relatively loosely structured so that they are easily customizable to suit specific circumstances, but should be detailed enough to give partners an idea of what to expect, how long different phases will take, what documentation is needed, which PSE staff/departments to contact with specific questions, etc. Just as a customer needs to know what the process will look like before feeling comfortable to move forward with an audit, partners need to know what to expect when they are entering into a partnership agreement with PSE. Not only will this free up the EE Communities team's time to focus on customizing approaches rather than re-creating basic services for each partner, but it will help manage partner expectations from the outset rather than discovering midway through a program such as CEEP that partners were counting on obtaining data from PSE that is not available (for instance), thereby protecting the relationship between PSE and partners and enabling future cooperation.

Specific processes and components of partnerships that may benefit from PSE creating a more formalized, documented process framework include:
- Event support (attendance and financial sponsorship)
- Co-branding
- Incentive structures, if applicable
- Data sharing guidelines (more on this in Section 5.2.5)
- How and when PSE program updates will be shared
- Pilot programs
- Additional requests

In terms of prioritizing future partnership efforts, PSE should continue to proactively work with partners to build on the foundation of programs that ARRA funding helped establish. PSE

stakeholders and partners alike valued the role that PSE played in facilitating regional collaboration during the ARRA funding period, and PSE should continue to play an active role in those discussions by attending meetings, sharing ideas, and offering program solutions and collaboration opportunities to partners as they explore their role in the post-ARRA era.

As demands on the EE Communities team's time increase, **the program may want to consider implementing various strategies to select partnerships in a more systematic manner**:

- Implement a grant application or RFQ process in which communities have to submit letters of intent or proposals in a structured format; provide communities with assistance in developing proposals as necessary, but make go/no-go decisions about several communities at once at specific intervals (e.g., annually or bi-annually) rather than on an ad-hoc basis.
- Consider creating community profiles with a "partner propensity" indicator to help PSE staff assess strategies and opportunities; include information on communities' adoption of climate action goals, current PSE program participation levels, etc.

5.2.4   Partner Communications

One of the most crucial roles played by the EE Communities team is that of the liaison between other PSE programs and departments and the community partners. Navigant recommends several improvements to communications with partner organizations:

- **Communicate changes to program offerings well in advance** to provide partners with the opportunity to "sync" their planning and budgeting with PSE program implementation.
- **Establish regularly scheduled partner email newsletters** to keep partners apprised of PSE program changes and partnership opportunities and highlight community partners' success stories.
- **Highlight community partners in internal and external communications**, such as internal newsletters, the PSE website, press releases, or awards ceremonies.
- **Hold an annual partner round-table or forum** to share ideas and best practices across the region and to brainstorm cutting edge and innovative strategies to pilot in communities, such as on-bill financing.

5.2.5   Data Tracking and Data Sharing

PSE indicated a strong desire to improve their data tracking with regard to the EE Communities Program, both in terms of tracking "market intelligence" such as information on communities' climate action goals and demographics and in terms of tracking the influence of community-based efforts on program participation. Navigant understands that PSE is currently in the process of developing a contact management system that would greatly enhance PSE's community profiling capabilities and enable the EE Communities team to track community involvement, track communications with key community contacts, and assess the community's "partner propensity" or likelihood of being a strong partner with PSE. **Navigant recommends that PSE make the development of the contact management system a high priority and explore ways in which the system can integrate with PSE's other program databases** to pull in data on community residents' participation in rebate programs and other PSE programs, ideally on a real-time or regularly scheduled basis.

Both PSE and community partners emphasized the ongoing challenge of data sharing. Partners want to gain access to information that help them implement and evaluate their programs, and PSE is hampered

by a number of regulatory and IT challenges in providing that data to partners. Partners are understanding of the challenges faced by PSE, and the EE Communities team has worked hard to provide what data they can, but the process occurs on an ad-hoc basis and continues to frustrate partners. Navigant recommends the following steps to improve data sharing between PSE and partners:

- **Develop a concise document summarizing what data PSE can and cannot share**, the reasons why certain data cannot be shared, and a step-by-step process for obtaining what data can be shared, including contact information. Provide this document at the outset of the partnership and review in detail so the partner understands what to expect from PSE and can plan their own data collection activities accordingly, if applicable.
- **Hold a roundtable discussion with partners** to discuss data sharing rules/regulations and work to develop feasible solutions for a streamlined data sharing mechanism, so that partners feel that they are a part of the process.
- **Develop a format for community energy profiles** using PSE energy usage data that maintains customer privacy and meets regulatory standards while still providing useful information that can help community partners design and target programs. Consider sharing marketing segmentation information with partners as well.

5.3   Recommended Evaluation Metrics for Future Performance Monitoring

As noted several times in this report, clearly stated goals and metrics to measure progress towards those goals are a key component to the programs ongoing success. During the survey task, Navigant noted several metrics that may add value to future performance monitoring of the EE Communities program. Table 21 lists the metrics used in this evaluation and suggests some survey questions for additional/future surveys of participants and non-participants.

Table 21. Evaluation Metrics for Future Performance Monitoring

Metrics	Methodology for Obtaining	Sample Questions
Influence on Participation in other PSE DSM programs	- Program participation data analysis - Surveys - Interviews	Did you learn about the PSE program through a community organization?
Other Energy Efficiency Actions Taken by Customers	- Surveys - Interviews - Billing analysis	- What actions have you taken? - How often do you engage in these actions?
Awareness & Knowledge	Participant and non-participant surveys	- How familiar are you with PSE programs that help customers with energy efficiency? - How did you learn about such programs? - Are you familiar with other PSE activities?
Impact on Attitude & Customer Loyalty	- Surveys - Interviews	Would you recommend the PSE program to a friend?
Customer Satisfaction & Value	- Surveys - Interviews	Do you feel you receive value from PSE? How much?

Social Connections	• Surveys • Interviews	• Have you mentioned your involvement in the program to friends, relatives, coworkers, etc.?
Community Partnerships Developed	• Interviews • Database	• Are partners aware of the full range of PSE program offerings? • Do you view PSE as a valuable partner? • Do you feel your services are enhanced by PSE's programs?
Influence on Participation in Partners Programs	• Program participation data analysis • Surveys • Interviews	• What motivated you to get involved in the community organization?

5.4   Opportunities for Further Research

The EE Communities program is an innovative, complex program. During the course of the evaluation, Navigant identified several additional research avenues that may help PSE understand the broad range of the program's impact.

1. **Measure impacts by savings** (kWh or therms.) This could be accomplished by looking at participation at the measure level rather than just participation by count.

2. **Track and report the performance of the program in the long term.** The benefits of a communities-based program such as the EE Communities program often accrues over several years, even after the program funding period has ended. Long-term monitoring and tracking will help ensure PSE and the EE Communities team receives the recognition for the long-term impacts of the investments in community-based programs.

3. **Conduct a larger-scale participant/non-participant survey.** Although the survey conducted for this evaluation was telling, Navigant recognized that the sample size is small compared to larger-scale evaluations. The surveys yielded insights that CEEP may be having a positive impact on customer satisfaction with PSE and awareness among the broader community, but the differences between participants and non-participants were statistically uncertain. A larger sample size could provide PSE greater insight into the real impacts on customer perception and awareness.

4. **Conduct a process evaluation of the Customer Acquisition Payment (CAP).** Interviews with EE Communities staff indicated the CAP was challenging to administer, and PSE is considering discontinuing the offering. However, many partners mentioned that they would like PSE to continue to offer funding to support partner efforts. Navigant recommends conducting an evaluation of the CAP to further understand the benefits and strategize ways to improve the CAP.

5. **Track participation/customer data in one database to facilitate ongoing participation analysis.** The records used in the participation analysis are housed in numerous databases. As an initial step in the participation analysis, Navigant combined the datasets into one database. Although a great

undertaking in the short run, the unified database will provide long-term benefits, such as allowing for greater access to and reporting of program statistics

6. **Analyze the program success through multiple channels.** PSE defines a "participant" as a unique combination of customer name and premise address. However, the participation analysis varies if looked at with number of projects completed (customer name, premise address, and date of installed measure) or number of measures installed (customer name, premise address, and installed measure). The results of the additional analyses could yield some interesting results, such as a deeper understanding of the types of projects undertaken by certain participants.

   In addition to the alternate participation analyses, we recommend normalizing the participants by energy savings. Although savings data may not be available in all cases, an analysis of participation and energy savings would provide the real energy impact the program had for the PSE portfolio. PSE could look into such analyses as energy savings per participant in the CEEP and non-CEEP communities.

7. **Develop a cost-effectiveness analysis to compare the cost of implementing the EE Communities program to the additional savings generated.** A cost-effectiveness analysis measures whether the benefits of an energy efficiency program exceed the costs required to implement the program. Because the EE Communities does not directly impact energy savings, measuring the cost-effectiveness of the program may be difficult. The analysis requires the quantification of the energy savings and non-energy benefits attributed to the EE Communities program. PSE could build on the existing participation analysis to estimate the incremental energy savings produced by the program.

8. **Use predictive modeling methods to engage additional customers in the participating communities and propose future communities for the program.** Predictive modeling is an emerging outreach technique used in some demand-side management programs. The models combine various datasets, including PSE's program data, Census data, and other relevant datasets, in order to forecast or "predict" where certain programs will have the most impact. By comparing project and customer data from participants to the database, PSE can estimate a customer's propensity to participate in certain programs. Some utilities have used predictive modeling to define the "typical participant" down to specific measure level. The utilities query the databases for customers that fit the profile and create very specific marketing strategies to reach those customers. PSE could build from the existing participation analysis to review additional programs or additional communities to include in CEEP and develop specific outreach strategies to reach those customers.

Appendix A: PSE Staff Interview Guide

Puget Sound Energy: Energy Efficient Communities Process Evaluation
Program Staff In-Depth Interview Guide

Name of Interviewee: _____   Date: _____

Title: _____   Company: _____

 [Note to Reviewer] The Interview Guide is a tool to guide process evaluation interviews with utility staff. The guide helps to ensure the interviews include questions concerning the most important issues being investigated in this study. Follow-up questions are a normal part of these types of interviews. Therefore, there will be sets of questions that will be more fully explored with some individuals than with others. The depth of the exploration with any particular respondent will be guided by the role that individual played in the program's design and operation, i.e., where they have significant experiences for meaningful responses.

Topic Area	*Topic Objective*
Internal Roles and Responsibilities	Determine how program staff spend their time; determine specific processes and roles within PSE; identify key individuals for future conversations
Overall Program Goals, Objectives, and Structure	Understand PSE's motivation for creating the program, and what they would like to do with it moving forward; what information do they need from this evaluation
Partner Roles and Responsibilities	Determine how PSE staff interacts with each of the program partners; what role does each partner play, and how does PSE staff interact with them
Data Tracking	How is data handled within the program; where is there room for improvement
Other	Miscellaneous and wrap-up questions

Internal Roles and Responsibilities

Key objective: Find out how program staff spends their time on this program. Prompt for verbs and actions and get them to describe specific processes and roles. Listen for key functions to dive deeper on later in the conversation.

1. Can you briefly summarize your role in the EE Communities program?
   a. What are your main responsibilities?
   b. For how long have you carried these out?
   c. Have these changed over time?
   d. What percent of your time do you dedicated to the EE Communities Program?
   e. Do you have enough help?

2. Who are the key PSE staff involved in your program's implementation?
   a. What are their roles?
   b. How do they interact?
   c. Who do they report to and/or what department do they work in?
   d. How is work divided amongst these individuals?
   e. Discuss the EEC team members individually (refer to map in Annual Report)
        i. Farra Vargas – Program Coordinator for the Southern Region
       ii. Pinky Vargas – Program Coordinator for the Northern Region
      iii. Kristy Nice – Program Implementer
       iv. Cathie Currie – Program Coordinator

3. Besides CEEP/ARRA and WSU partnerships, are there other key individuals involved in the program?
   a. Prove for all significant actors with responsibility in program delivery including implementer and service providers.
   b. Note that we'll discuss program partners in the next section.

4. What are the formal and informal communication channels between all of these groups?
   a. Meetings
   b. Reports
   c. Other

Overall Program Goals, Objectives, and Structure

Key Objective: Understand PSE's motivation for creating the program, and what they would like to do with it moving forward. What information do they need from this evaluation?

5. Why was the EE Communities program originally developed?
   a. What was PSE's motivation for creating the program?
   b. Who were some of the early program champions?
   c. Were they affiliated with one or more organizations, if so, what organizations?
   d. Has program implementation changed since its inception, in what ways?
   e. Was the program influenced by any other community-based programs? If so, which ones, and were those entities contacted for perspective?
   f. Has your program changed since its original design? If so, what/how? Why were the changes made?

6. Can you review the overall goals of the program?
   a. Provide a "clear and consistent face of PSE to customers".
   b. Customer loyalty, understanding and awareness.
   c. Communities moving toward EE/carbon goals and know PSE's contribution.
   d. Effective collaboration across PSE departments.
   e. Are you getting the data you need to track these goals effectively?

7. Can you describe the main components of the program?
   a. Where does staff spend their time?
   b. Events
   c. Meetings
   d. Marketing
   e. Other

8. What does the program budget look like?
   a. Where does funding come from?
   b. What is funding spent on?
   c. Staff, outreach, materials, etc.
   d. Are technical and financial resources sufficient for your program? If you could change how technical and/or financial resources are administered, how would you change them, if at all?

9. Describe the Small Business Program.
   a. Quantitative Goals (from strategic plan – confirm that these are accurate)
        i. # of companies contacted
       ii. % of companies that sign up for tracking tool
      iii. Savings achieved
       iv. Total small business savings
        v. Are you getting the data you need to track these goals effectively?
   b. How is the program marketed?

10. Your strategic plan mentions a number of surveys and resources that measure and establish a baseline for customer loyalty and awareness. Were these surveys implemented, and if so, are the results available for our review?
    a. Online survey
    b. Borke survey
    c. CRM survey
    d. CRM Community Reports

11. Are there elements in design, structure, and/or operation that you would like to see changed? Why do you think this change is needed?

12. In your opinion, how successful is the program so far? Why? What are its strengths? What are its weaknesses?

13. What do you see as the main barriers for community participation in the program? Do you have any thoughts on how these could be addressed by the program?

14. Based on what you know now, if you could start-over and make changes to the program design or challenge- what are the most important things you would do differently and/or be sure to repeat?

Partner Roles and Responsibilities
Key Objective: Find out how the PSE staff interacts with each of the program partners. What role does each partner play, and how does PSE staff interact with them? Look for verbs and actions. Prompt for verbs and actions and get them to describe specific processes and roles.

15. Describe each partner organization's role in the EE Communities Program.
    a. What do you rely on them to accomplish?
    b. How do you hold them accountable for this?
    c. What sort of support do you provide them with?

16. How do you interact with Washington State University?
    a. What are the goals of this partnership?
    b. Are you getting the data you need to track these goals effectively?

17. Describe how you interact with the CEEP Programs.
    a. What are the goals of these partnerships?
    b. CEEP Programs quantitative goals (from strategic plan): # of 3% rebates
    c. Are you getting the data you need to track these goals effectively?
    d. How do the MOU's work?
    e. What does each program partner do?
    f. CEEP Partners include:
        i. Sustainable Connections
        ii. Opportunity Council
        iii. Community Energy Challenge
        iv. SustainableWorks
        v. Thurston Energy
        vi. Snoshomosh County PUD
        vii. UCONS
18. Describe how you interact with the ARRA/EECBG Programs.
    a. How do the MOU's work?
    b. How does staff interact with each ARRA/EECBG Program?
    c. ARRA / EECBG Program Goals
        i. # of projects
        ii. Savings achieved
    d. Are you getting the data you need to track these goals effectively?

19. What feedback, if any, have you received from partners related to the program processes and implementation?

20. Which partner programs do the best job of achieving the partnership goals?
    a. What makes them the best?
    b. What are the biggest challenges in working with partners?
    c. How can these challenges be overcome?
    d. What partner program tactics do the best job of matching customer needs with PSE's program offerings?

e. Which program partner efforts best improve utility customer loyalty?

f. Which program efforts increase understanding and awareness of utility programs and contributions to community goals?

21. What are the most common mistakes or roadblocks for partner programs?

22. What are some of the partners' biggest accomplishments?

23. What are the pros and cons of working with the ARRA funded programs?
    a. Do you know if any of them have plans to sustain their efforts post ARRA funding?
    b. What are those plans?

24. In your opinion, what specific (non-CEEP partner) programs should we include in our best practice review? Which are the best in your opinion?

25. What elements of the partner programs work best, in your opinion? Which elements are not working? How can they be improved?

Data Tracking
Key Objective: How is data handled within the program? Cover if there's time, but could use as follow up if necessary.

26. Who captures the data and how? *[Probe, if necessary: How do you get access to the data you need for daily program management?]* Can you describe the process for populating the program tracking database? How do you use the tracked data?

27. Can you briefly describe what data are tracked for the program? How well do you think this process works? Do you feel all important information is captured and stored in a way to best support program efforts? Is there any additional data you think would be useful? Is there a process of requesting additional data?

28. Is there a system in place to track the attribution factor for customers that are referred to the custom and prescriptive programs in some way as a result of the challenge? If so, how does it work?

29. Is the system or systems used for data tracking linked with any other systems such as databases with customer account information or ones that track marketing activities?

Other
Miscellaneous and wrap-up questions.

30. Are there any other key issues you would like to see explored in this evaluation?

31. Do you have any other comments or suggestions for us?

Thank you very much for taking the time to assist us with this evaluation. Your contribution is a very important part of the process.

Do you mind if we follow-up with you by phone later, if additional questions arise?

Puget Sound Energy: Energy Efficient Communities Process Evaluation
Program Partner In-Depth Interview Guide

Name of Interviewee: _____   Date: _____

Title: _____   Company: _____

[Note to Reviewer] The Interview Guide is a tool to guide process evaluation interviews with program partners. The guide helps to ensure the interviews include questions concerning the most important issues being investigated in this study. Follow-up questions are a normal part of these types of interviews. Therefore, there will be sets of questions that will be more fully explored with some individuals than with others. The depth of the exploration with any particular respondent will be guided by the role that individual played in the program's design and operation, i.e., where they have significant experiences for meaningful responses.

Topic Area	*Topic Objective*
Roles and Responsibilities	Determine how program staff spend their time; determine specific processes and roles within program; identify key individuals
Overall Program Goals, Objectives, and Structure	Understand motivation for creating the program, and what they would like to do with it moving forward; structure and goals; explore relationship with PSE
Successes and Challenges	Identify program successes, challenges, and best practices
Marketing and Outreach	Identify marketing and outreach tactics; discuss what works and what doesn't
Data Tracking	How is data handled within the program; where is there room for improvement

Roles and Responsibilities

Key objective: Find out how partner program staff spends their time on this program. Prompt for verbs and actions and get them to describe specific processes and roles. Listen for key functions to dive deeper on later in the conversation.

1. Can you briefly summarize your role in the program?
   a. What are your main responsibilities?
   b. Have these changed over time?
   c. For how long have you carried these out?
   d. What percent of your time do you dedicated to the PSE EE Communities Program?
   e. What else do you work on?

2. Can you explain who are the key staff involved in your program's implementation, what their roles are, and how they interact?

a. What are their roles?
b. How do they interact?
c. Who do they report to and/or what department do they work in?
d. How is work divided amongst these individuals?

3. What are the formal and informal communication channels between these groups?

Overall Program Goals, Objectives, and Structure
Key Objective: Understand program goals and structure.

4. Describe the main components of your program.
   a. How was your program originally developed?
   a. How did your program initially start working with PSE?
   b. Who were some of the early champions in your community?
   c. Were they affiliated with one or more organizations, if so, what organizations?
   d. Has program implementation changed since its inception, in what ways?
   e. Was your program influenced by any other community-based programs? If so, which ones, and were those entities contacted for perspective?

5. In your community, what are common market barriers the program seeks to overcome and how does the program address these barriers?
   a. [If necessary: by market barriers we're referring to hard to reach customers, deeper savings per customer, etc.] (We are looking for cause-effect relationships between proposed intervention and actions taken for all steps in the chain of program delivery steps.)

6. Can you review the key goals of the program (quantitative metrics)?
   a. Are there other metrics used to measure program performance? Why or why not?

7. Does your program communicate with other programs and communities? If so, in what ways?

8. In what ways, if any, does your program work with PSE to promote PSE EE programs to potential and current customers (e.g. program channeling)?
   a. How did you position PSE in your interactions with participants?
   b. What tactics do the best job of matching customer needs with PSE's program offerings?
   c. What is your role in conducting outreach to PSE customers and soliciting program applications?

9. What contributions does PSE make to your program?
   a. Does PSE provide a valuable resource to your program?
   b. What support and resources does PSE provide to help you accomplish this?

10. Are there elements in design, structure, and/or operation that your program is planning to help make it more effective? What would you recommend? Why do you think this change is needed?

11. Based on what you know now, if you could start-over and make changes to the program design or challenge- what are the most important things you would do differently and/or be sure to repeat?

12. How is your program different from the other EE Communities partner programs?

13. How did your community receive and account for technical and financial resources that it received as part of the program? (e.g. money, staff time, expertise).
    c. Were technical and financial resources sufficient for your program?
    d. If you could change how technical and/or financial resources were administered, how would you change them, if at all?
    e. If relevant, do you have plans to sustain your program's efforts post ARRA funding? What are those plans?

Marketing and Outreach
Key Objective: Understand program marketing and outreach functions.

14. What outreach/marketing tactics do you think are most effective in getting people to act?
    a. Why do you think they've been successful?
    b. Which efforts have been least successful? Why?

15. Do you anticipate making any changes to marketing efforts?
    a. If so, please describe these changes.
    b. Do you have documentation of these changes? If so, how can we arrange to obtain copies?
    c. Why do you expect to make these changes?

16. How can we collect samples of your marketing materials?

17. What have been the most effective marketing and promotion events? What have been the least effective?

18. How has the economic downturn affected the program, particularly the level of participation/interest in the program and the decision to invest in energy efficiency?

Success and Challenges
Key Objective: Identify successes stories, challenges and best practices.

19. What do you see as the main barriers for community participation in the program?
    a. Do you have any thoughts on how these could be addressed by the program?
    b. What are the most common mistakes or roadblocks for your program?
    c. Which elements are not working? How can they be improved?

20. What's your program's biggest accomplishment?
    a. What are the most exciting opportunities for your program?
    b. What elements of your program work best, in your opinion?

21. What are the biggest challenges in working with PSE? How can these challenges be overcome?

22. What do you consider your program's "best practices"?

Data Tracking
Key Objective: How is data handled within the program? Cover if there's time, but could use as follow up if necessary.

23. Who captures the data and how? *[Probe, if necessary: How do you get access to the data you need for daily program management?]* Can you describe the process for populating the program tracking database? How do you use the tracked data?

24. Can you briefly describe what data are tracked for the program? How well do you think this process works? Do you feel all important information is captured and stored in a way to best support program efforts? Is there any additional data you think would be useful? Is there a process of requesting additional data?

25. Is there a system in place to track the attribution factor for customers that are referred to the custom and prescriptive programs in some way as a result of the challenge? If so, how does it work? [Probe for type of data collected]

26. Is the system or systems used for data tracking linked with any other systems such as databases with customer account information or ones that track marketing activities?

Thank you very much for taking the time to assist us with this evaluation. Your contribution is a very important part of the process.
Do you mind if we follow-up with you by phone later, if additional questions arise?

Appendix C-1: Residential Customer Survey Instrument

INTRODUCTION

INTRO: Hello, my name is _____, and I'm calling from the Blackstone Group on behalf of Puget Sound Energy, sometimes referred to as PSE, to ask your help in evaluating the utility's energy efficiency programs, communications and community partnerships. Let me assure you that this is not a sales call and your responses will be kept confidential.

May I speak with [INSERT **CUSTOMERNAME** FROM SAMPLE]?

1   CONTINUE WITH CUSTOMER ONCE THEY ARE ON THE PHONE
2   CUSTOMER NOT AVAILABLE [SCHEDULE CALLBACK]
3   NOT A GOOD TIME TO CONDUCT SURVEY [SCHEDULE CALLBACK]
4   REFUSED [TERMINATE]
5   DISPOSITION AS COMMERCIAL SAMPLE [TERMINATE]

SCREENING QUESTIONS

SCR1: Since January 2010, has your residence at [INSERT *PREMISE_ADDRESS* FROM SAMPLE] had an energy inspection, sometimes called an energy audit or assessment or walk through?

1 YES   [CONTINUE WITH SCR1A]
2 NO   [GO TO NON-PARTICIPANT SECTION]
8 DON'T KNOW   [GO TO NON-PARTICIPANT SECTION]
9 REFUSED   [TERMINATE]

PARTICIPANT SECTION

CEEP PROJECT INVOLVED

SCR1A: Do you recall who provided the audit? [ONLY READ LIST ("Was it…?") IF RESPONDENT IS UNABLE TO PROVIDE AN ANSWER]

1   A REAL ESTATE INSPECTOR/APPRAISER
2   A CONTRACTOR FOR HEATING OR COOLING EQUIPMENT
3   UCONS
4   "THE PUD" OR P.U.D. OR PUBLIC UTILITY DISTRICT
5   PUGET SOUND ENERGY
6   OPPORTUNITY COUNCIL OR BELLINGHAM/WHATCOM COUNTY ENERGY CHALLENGE
OR WHATCOM ENERGY CHALLENGE
7   THURSTON ENERGY OR HOMEPLUS
8   SUSTAINABLEWORKS
9   A CONTRACTOR ASSOCIATED WITH PUGET SOUND ENERGY
10   ENERGY EXTENSION OF WSU-WASHINGTON STATE UNIVERSITY (CALLED "WAZZU")
11   THE UNIVERSITY OR THE COLLEGE
12   A WEATHERIZATION AGENCY
13   THE COUNTY
14   BONNEVILLE POWER ADMINISTRATION (BPA)
15   OTHER (PLEASE SPECIFY)_____
98   DON'T KNOW
99   REFUSED

SCR2: Was the energy audit or energy evaluation perhaps provided because of the active assistance of any of the following organizations? [READ LIST. RECORD ALL THAT APPLY]

1   City of Ellensburg
2   Opportunity Council, commonly referred to as the Bellingham/Whatcom County Energy
        Challenge or the Whatcom Energy Challenge
3   Sustainable Connections
4   Puget Sound Energy
5   UCONS L.L.C
6   Snohomish County Public Utility District
7   SustainableWorks
8   Thurston Energy or HomePlus
9   NONE OF THE ABOVE[EXCLUSIVE]
98   DON'T KNOW
99   REFUSED

CREDIT FOR PUGET SOUND ENERGY

MSG1: I'm going to read some activities sponsored by local governments, Public Utility Districts, or the Bonneville Power Administration that involve private utilities. I'd like to know whether or not any information about each of them has been communicated to you by ad, news story, bill insert or other

means. Have you received or learned information on…? [READ EACH, RECORD ONE RESPONSE FOR EACH] **[RANDOMIZE]**

	YES	NO	DON'T KNOW	REFUSED
Managing lands near hydro dams for wildlife management and fisheries success	●	●	●	●
No-charge home weatherization efforts for the needy	●	●	●	●
Building/managing wind farms that provide power to grid	●	●	●	●
Rebates for energy efficient lights and appliances	●	●	●	●
Job training for green jobs	●	●	●	●
Free CFLs (compact fluorescent light bulbs)	●	●	●	●
Duct sealing for manufactured homes	●	●	●	●

WK1a: In the past two years, has your residence had energy improvement work or equipment upgrades done?

1	YES	**[IF WK1a=YES, continue to WK1b]**
2	NO	**[SKIP TO LRN1]**
8	DON'T KNOW/DON'T RECALL	**[SKIP TO LRN1]**
9	REFUSED	**[SKIP TO LRN1]**

WK1B: Was work done with the involvement of any of the following organizations? **[RANDOMIZE 1-8]** {READ EACH, RECORD ALL THAT APPLY]

1   City of Ellensburg
2   Opportunity Council, commonly referred to as the Bellingham/Whatcom County Energy Challenge or the Whatcom Energy Challenge
3   Sustainable Connections
4   Puget Sound Energy
5   UCONS L.L.C
6   Snohomish County Public Utility District
7   SustainableWorks
8   Thurston Energy or HomePlus
9   OTHER PARTY, INCLUDING SELF (PLEASE SPECIFY) _____
10   NONE OF THE ABOVE [EXCLUSIVE]
98   DON'T KNOW [EXCLUSIVE]
99   REFUSED   [EXCLUSIVE]

LRN1: Do you recall how you first learned of the opportunity to receive the energy audit you received?
[ONLY READ LIST ("Was it…?") IF RESPONDENT IS UNABLE TO PROVIDE AN ANSWER]
1	A BILL INSERT
2	A RADIO OR TV ADVERTISEMENT
3	A NEWS STORY IN THE NEWSPAPER, RADIO OR TV
4	A COMMENT FROM FRIEND OR NEIGHBOR
5	FACEBOOK OR ELSEWHERE ON-LINE
6	A DOOR-TO-DOOR SOLICITATION OR LEAFLET
7	OTHER (PLEASE SPECIFY) _____
8	DON'T KNOW
9	REFUSED

ACT1: What kind of changes, if any, did you make because of the audit? [CLARIFY AND PROBE]
1	RECORD VERBATIM RESPONSE_____	**[SKIP TO MENT1]**
2	NO CHANGES WERE MADE AS A RESULT OF THE AUDIT **[CONTINUE TO ACT2 & ACT3]**
8	DON'T KNOW **[SKIP TO MENT1]**
9	REFUSED		**[SKIP TO MENT1]**

ACT2: Do you think the audit recommendations were reasonable?

1	YES
2	NO
8	DON'T KNOW
9	REFUSED

ACT2B: Were there any audit recommendations that you postponed rather than doing because of household financial strains?
1	YES
2	NO			**[SKIP TO MENT1]**
8	DON'T KNOW
9	REFUSED

ACT3: Do you think the audit recommendations would be affordable to carry out in the next 12 months?
1	YES
2	NO
8	DON'T KNOW
9	REFUSED

MENT1: Did the person doing the audit mention Puget Sound Energy or any of its energy efficiency options—which include rebates on appliances, insulation, and conversion to natural gas?

1	YES
2	MAYBE, DON'T RECALL
3	DEFINITELY NOT
8	DON'T KNOW
9	REFUSED

REB4: Have you taken advantage of any rebates from PSE when buying products or services?
1   YES
2   MAYBE, DON'T RECALL
3   DEFINITELY NOT
8   DON'T KNOW
9   REFUSED

FMLR: On a scale of 1 to 7, how familiar would you say you are with PSE programs that help customers with energy efficiency? Consider 7 equals highly familiar and 1 equals not familiar at all.

Not familiar at all						Highly familiar	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

NEW1: Have you heard news or comments in the past six months about PSE community partnership efforts to help small business managers and residential customers reduce their energy bills?
1   YES
2   NO
8   DON'T KNOW
9   REFUSED

NEW2: Before today, did you know about PSE's support of a community project formally called [INSERT **CEEP_PROJ** FROM SAMPLE]….?
1   YES
2   NO
8   DON'T KNOW
9   REFUSED

SAT1: Has your involvement in this program, that is, the audit and/or improvements made, changed your degree of satisfaction with Puget Sound Energy—either positively or negatively?
1   NO, DIDN'T CHANGE IT
2   YES, IMPROVED IT
3   YES, BUT REDUCED SATISFACTION
8   DON'T KNOW
9   REFUSED

ATTITUDE IMPACT

REC: Please rate on a scale of 1 to 7 how likely it is that you would recommend this option as a "good value" to a friend, neighbor or relative. Consider 7 equals extremely likely to recommend, 4 equals may or may not recommend, and 1 equals not likely at all to recommend.

Not likely at all to recommend			May or may not recommend			Extremely likely to recommend	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

EXPA: Thinking back on your decision to get an audit, did the audit… [READ LIST]

1	Exceed your expectations,	**[GO TO EXPA1]**
2	Meet your expectations,	**[SKIP TO VALU]**
3	Or fall short of your expectations?	**[SKIP TO EXPA2]**
8	DON'T KNOW	**[SKIP TO VALU]**
9	REFUSED	**[SKIP TO VALU]**

EXPA1: Did it exceed your expectations a little or a lot?

1	A little	**[SKIP TO VALU]**
2	A lot	**[SKIP TO VALU]**
8	DON'T KNOW	**[SKIP TO VALU]**
9	REFUSED	**[SKIP TO VALU]**

EXPA2: Did it fall short of your expectations a little or a lot?

1	A little	**[CONTINUE TO VALU]**
2	A lot	**[CONTINUE TO VALU]**
8	DON'T KNOW	**[CONTINUE TO VALU]**
9	REFUSED	**[CONTINUE TO VALU]**

VALU: Please rate Puget Sound Energy based on the quality of service you receive relative to what you pay. Choose any number between 1 and 7, with 7 defined as "extremely good value" and 1 meaning "extremely poor value."

Extremely poor value						Extremely good value	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

SAT2: Now, please think about overall satisfaction with "all" aspects of your relationship with Puget Sound Energy, and please tell me your rating, with 7 being highly satisfied and 1 being not satisfied at all.

Not satisfied at all						Highly satisfied	DON'T KNOW	REFUSED

1	2	3	4	5	6	7	98	99

IPRV: Have you mentioned your energy improvement work or your involvement in this program to any friends, family or acquaintances?

1   YES
2   NO
8   DON'T KNOW
9   REFUSED

WEB: Do you ever receive or share website articles about tips or technologies for reducing your energy bills?

1   YES
2   NO
8   DON'T KNOW
9   REFUSED

WIZ: Compared to your friends, do you think of yourself as "above average" in energy knowledge and technologies?

1   YES
2   NO
8   DON'T KNOW
9   REFUSED

UNEXP: Did getting the energy improvements (i.e., that you mentioned previously when asked "What kind of changes, if any, did you make because of the audit?") create any unexpected problems?

1   YES
2   NO, NO PROBLEMS AT ALL   **[SKIP TO QUESTION CUST1]**
8   DON'T KNOW   **[SKIP TO QUESTION CUST1]**
9   REFUSED   **[SKIP TO QUESTION CUST1]**

UNEXA: Were the problems major or minor?

1   MAJOR
2   MINOR
8   DON'T KNOW
9   REFUSED

UNEXB: What were the problems? CLARIFY AND PROBE.

RECORD VERBATIM
8   DON'T KNOW
9   REFUSED

PROGRAMMING NOTE: ALL PARTICIPANTS SKIP TO DEMOGRAPHICS SECTION, QUESTION CUST1

NON-PARTICIPANT SECTION

CREDIT FOR PUGET SOUND ENERGY

NMSG1: We want to measure how effective communications to local residents are. I'm going to read some activities sponsored by local governments, Public Utility Districts, or the Bonneville Power Administration that involve private utilities. I'd like to know whether or not any information about each of them has been communicated to you by ad, news story, bill insert or other means. Have you received or learned information on…? [READ EACH, RECORD ONE RESPONSE FOR EACH]
[RANDOMIZE]

	YES	NO	DON'T KNOW	REFUSED
Managing lands near hydro dams for wildlife management and fisheries success	●	●	●	●
No-charge home weatherization efforts for the needy	●	●	●	●
Building/managing wind farms that provide power to grid	●	●	●	●
Rebates for energy efficient lights and appliances	●	●	●	●
Job training for green jobs	●	●	●	●
Free CFLs (compact fluorescent light bulbs)	●	●	●	●
Duct sealing for manufactured homes	●	●	●	●

NWK1a: In the past two years, has your residence had energy improvement work or equipment upgrades done?

1	YES	**[IF NWK1a=YES, continue to NWK1b]**
2	NO	**[SKIP TO NREB4]**
8	DON'T KNOW/DON'T RECALL	**[SKIP TO NREB4]**
9	REFUSED	**[SKIP TO NREB4]**

NWK1B: Was work done with the involvement of any of the following organizations? **[RANDOMIZE 1-8]**
{READ EACH, RECORD ALL THAT APPLY]

1   City of Ellensburg
2   Opportunity Council, commonly referred to as the Bellingham/Whatcom County Energy
         Challenge or the Whatcom Energy Challenge
3   Sustainable Connections
4   Puget Sound Energy
5   UCONS L.L.C
6   Snohomish County Public Utility District
7   SustainableWorks
8   Thurston Energy or HomePlus
9   OTHER PARTY, INCLUDING SELF (PLEASE SPECIFY) _____
10   NONE OF THE ABOVE [EXCLUSIVE]
98   DON'T KNOW [EXCLUSIVE]
99   REFUSED   [EXCLUSIVE]

NREB4: Have you taken advantage of any rebates from PSE when buying products or services?
1   YES
2   MAYBE, DON'T RECALL
3   DEFINITELY NOT
8   DON'T KNOW
9   REFUSED

NFMLR: On a scale of 1 to 7, how familiar would you say you are with PSE programs that help customers with energy efficiency? Consider 7 equals highly familiar and 1 equals not familiar at all.

Not familiar at all						Highly familiar	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

NNEW1: Have you heard news or comments in the past six months about PSE community partnership efforts to help small business managers and residential customers reduce their energy bills?
1   YES
2   NO
8   DON'T KNOW
10   REFUSED

NNEW2: Before today, did you know about PSE's support of a community project formally called [INSERT **CEEP_PROJ** FROM SAMPLE]….?
1   YES
2   NO
8   DON'T KNOW
9   REFUSED

NVALU: Please rate Puget Sound Energy based on the quality of service you receive relative to what you pay. Choose any number between 1 and 7, with 7 defined as "extremely good value" and 1 meaning "extremely poor value."

Extremely poor value						Extremely good value	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

NSAT2: Now, please think about overall satisfaction with "all" aspects of your relationship with Puget Sound Energy, and please tell me your rating, with 7 being highly satisfied and 1 being not satisfied at all.

Not satisfied at all						Highly satisfied	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

ASK NIPRV IF NWK1a=1 ELSE SKIP TO NWEB

NIPRV: Have you mentioned your energy improvement work to any friends, family or acquaintances?
1   YES
2   NO
8   DON'T KNOW
9   REFUSED

NWEB: Do you ever receive or share website articles about tips or technologies for reducing your energy bills?
1   YES
2   NO
8   DON'T KNOW
9   REFUSED

NWIZ: Compared to your friends, do you think of yourself as "above average" in energy knowledge and technologies?

1   YES
2   NO
8   DON'T KNOW
9   REFUSED

CUST1: I have just a few questions left to ask for classification purposes. First, is your home supplied by Puget Sound Energy for electricity, natural gas or both?
1   YES, SERVED ELECTRICITY BY PUGET SOUND ENERGY
2   YES, SERVED NATURAL GAS BY PUGET SOUND ENERGY
3   YES, SERVED BOTH ELECTRICITY & NATURAL GAS BY PUGET SOUND ENERGY
4   NO, NEITHER GAS NOR ELECTRIC BY PSE
8   DON'T KNOW
9   REFUSED

OWN: Do you own or rent the home at <INSERT SERVICE_ADDRESS FROM SAMPLE>?
1   OWN
2   RENT
3   OTHER [SPECIFY]_____
8   DON'T KNOW
9   REFUSED

TYPE: What type of home do you live in? Is it a… [READ LIST]

1   Single Family detached
2   Single Family attached (duplex, town home, etc.)
3   Multifamily Apartment or Condominium, or a
4   Mobile home/trailer
5   OTHER [SPECIFY]   _____
8   DON'T KNOW
9   REFUSED

NUM: How many people currently live full-time in that home, at least six months of the year, including yourself?
__   ENTER NUMBER OF PEOPLE **[Range 1-20]**
88   DON'T KNOW
99   REFUSED

SQFT: Roughly how many square feet of heated space does the home have?

IF NECESSARY ADD "Please use your best estimate."

____   ENTER NUMBER OF SQUARE FEET **[Range 1 to 100,000]**
888888 DON'T KNOW
999999 REFUSED

AGE: It's helpful if we can analyze comments by age group. Would you please tell me which of the following categories includes your age? Is it…[READ LIST]

1   Under 25
2   25 to 34,
3   35 to 44,
4   45 to 54,
5   55 to 64, or
6   65 or older?
8   DON'T KNOW
9   REFUSED

INC: We're collecting information from hundreds of customers, and it's helpful to know the income boundaries for sets of respondents. This information will not be retained after analysis. I'm going to read a list of broad income ranges. Please stop me when I state the range that contains your household's annual income before taxes in 2011. Was it… [READ LIST].

1   Up to $30,000 per year,
2        $30,000 to under $50,000,
3        $50,000 to under 75,000,
4        $75,000 to under $100,000,
5        $100,000 to under $150,000,
6        $150,000 to under $200,000,
7        $200,000 or more?
8   DON'T KNOW
9   REFUSED

GEN: GENDER (DO NOT ASK)
1   MALE
2   FEMALE
3   UNSURE

THANK   Thank you for taking time to help with our survey and the helpful information you
                provided. Have a great evening!

INTRODUCTION

INTRO: Hello, my name is _____, and I'm calling from the Blackstone Group on behalf of Puget Sound Energy, sometimes referred to as PSE, to ask your help in evaluating the utility's energy efficiency programs, communications and community partnerships. Let me assure you that this is not a sales call and your responses will be kept confidential.

May I speak with [INSERT **CUSTOMERNAME** FROM SAMPLE]?
1   CONTINUE WITH CUSTOMER ONCE THEY ARE ON THE PHONE
2   CUSTOMER NOT AVAILABLE [SCHEDULE CALLBACK]
3   NOT A GOOD TIME TO CONDUCT SURVEY [SCHEDULE CALLBACK]
4   REFUSED [TERMINATE]
5   DISPOSITION AS COMMERCIAL SAMPLE [TERMINATE]

SCREENING QUESTIONS

SCR1: Since January 2010, has your organization's facilities at [INSERT **PREMISE_ADDRESS** FROM SAMPLE] had an energy inspection, sometimes called an energy audit or assessment or walk through?
1 YES   [**CONTINUE WITH SCR1A**]
2 NO   [**GO TO NON-PARTICIPANT SECTION**]
8 DON'T KNOW   [**GO TO NON-PARTICIPANT SECTION**]
9 REFUSED   [**TERMINATE**]

PARTICIPANT SECTION

CEEP PROJECT INVOLVED

SCR1A: Do you recall who provided the audit? [ONLY READ LIST ("Was it…?") IF RESPONDENT IS UNABLE TO PROVIDE AN ANSWER]

  1   A REAL ESTATE INSPECTOR/APPRAISER
2   A CONTRACTOR FOR HEATING OR COOLING EQUIPMENT
3   UCONS
4   "THE PUD" OR P.U.D. OR PUBLIC UTILITY DISTRICT
5   PUGET SOUND ENERGY
6   OPPORTUNITY COUNCIL OR BELLINGHAM/WHATCOM COUNTY ENERGY CHALLENGE OR WHATCOM ENERGY CHALLENGE
7   THURSTON ENERGY OR HOMEPLUS
8   SUSTAINABLEWORKS
9   A CONTRACTOR ASSOCIATED WITH PUGET SOUND ENERGY
10   ENERGY EXTENSION OF WSU-WASHINGTON STATE UNIVERSITY (CALLED "WAZZU")
11   THE UNIVERSITY OR THE COLLEGE
12   A WEATHERIZATION AGENCY
13   THE COUNTY
14   BONNEVILLE POWER ADMINISTRATION (BPA)

15   OTHER (PLEASE SPECIFY)_____
98   DON'T KNOW
99   REFUSED

SCR2: Was the energy audit or energy evaluation perhaps provided because of the active assistance of any of the following organizations? [READ LIST. RECORD ALL THAT APPLY]

1   City of Ellensburg
2   Opportunity Council, commonly referred to as the Bellingham/Whatcom County Energy
        Challenge or the Whatcom Energy Challenge
3   Sustainable Connections
4   Puget Sound Energy
5   UCONS L.L.C
6   Snohomish County Public Utility District
7   SustainableWorks
8   Thurston Energy or HomePlus
9   NONE OF THE ABOVE[EXCLUSIVE]
98   DON'T KNOW
99   REFUSED

CREDIT FOR PUGET SOUND ENERGY

MSG1: I'm going to read some activities sponsored by local governments, Public Utility Districts, or the Bonneville Power Administration that involve private utilities. I'd like to know whether or not any information about each of them has been communicated to you by ad, news story, bill insert or other means. Have you received or learned information on…? [READ EACH, RECORD ONE RESPONSE FOR EACH] **[RANDOMIZE]**

	YES	NO	DON'T KNOW	REFUSED
Managing lands near hydro dams for wildlife management and fisheries success	●	●	●	●
No-charge home weatherization efforts for the needy	●	●	●	●
Building/managing wind farms that provide power to grid	●	●	●	●
Rebates for energy efficient lights and appliances	●	●	●	●
Job training for green jobs	●	●	●	●
Free CFLs (compact fluorescent light bulbs)	●	●	●	●
Duct sealing for manufactured homes	●	●	●	●

WK1a: In the past two years, has your firm's facilities had energy improvement work or equipment upgrades done?

1	YES	**[IF WK1a=YES, continue to WK1b]**
2	NO	**[SKIP TO LRN1]**
8	DON'T KNOW/DON'T RECALL	**[SKIP TO LRN1]**
9	REFUSED	**[SKIP TO LRN1]**

WK1B: Was work done with the involvement of any of the following organizations? **[RANDOMIZE 1-8]**
{READ EACH, RECORD ALL THAT APPLY]

1   City of Ellensburg
2   Opportunity Council, commonly referred to as the Bellingham/Whatcom County Energy
        Challenge or the Whatcom Energy Challenge
3   Sustainable Connections
4   Puget Sound Energy
5   UCONS L.L.C
6   Snohomish County Public Utility District
7   SustainableWorks
8   Thurston Energy or HomePlus
9   OTHER PARTY, INCLUDING SELF (PLEASE SPECIFY) _____
10   NONE OF THE ABOVE [EXCLUSIVE]
98   DON'T KNOW [EXCLUSIVE]
99   REFUSED   [EXCLUSIVE]

AUDIT AWARENESS

LRN1: Do you recall how you first learned of the opportunity to receive the energy audit you received?
[ONLY READ LIST ("Was it…?") IF RESPONDENT IS UNABLE TO PROVIDE AN ANSWER]
1   A BILL INSERT
2   A RADIO OR TV ADVERTISEMENT
3   A NEWS STORY IN THE NEWSPAPER, RADIO OR TV
4   A COMMENT FROM FRIEND OR NEIGHBOR
5   FACEBOOK OR ELSEWHERE ON-LINE
6   A DOOR-TO-DOOR SOLICITATION OR LEAFLET
7   OTHER (PLEASE SPECIFY) _____
8   DON'T KNOW
9   REFUSED

ACT1: What kind of changes, if any, did you make because of the audit? [CLARIFY AND PROBE]
1   RECORD VERBATIM RESPONSE_____   **[SKIP TO MENT1]**
2   NO CHANGES WERE MADE AS A RESULT OF THE AUDIT **[CONTINUE TO ACT2 & ACT3]**
8   DON'T KNOW **[SKIP TO MENT1]**
9   REFUSED   **[SKIP TO MENT1]**

ACT2: Do you think the audit recommendations were reasonable?

3   YES
4   NO
8   DON'T KNOW
9   REFUSED

ACT2B: Were there any audit recommendations that you postponed rather than doing because of financial strains?
3   YES
4   NO   **[SKIP TO MENT1]**
8   DON'T KNOW
9   REFUSED

ACT3: Do you think the audit recommendations would be affordable to carry out in the next 12 months?
4   YES
5   NO
8   DON'T KNOW
9   REFUSED

MENT1: Did the person doing the audit mention Puget Sound Energy or any of its energy efficiency options—which include rebates on appliances, insulation, and conversion to natural gas?

1   YES
2   MAYBE, DON'T RECALL
3   DEFINITELY NOT
8   DON'T KNOW
9   REFUSED

REB4: Have you taken advantage of any rebates from PSE when buying products or services?
1   YES
2   MAYBE, DON'T RECALL
3   DEFINITELY NOT
8   DON'T KNOW
9   REFUSED

FMLR: On a scale of 1 to 7, how familiar would you say you are with PSE programs that help customers with energy efficiency? Consider 7 equals highly familiar and 1 equals not familiar at all.

Not familiar at all						Highly familiar	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

NEW1: Have you heard news or comments in the past six months about PSE community partnership efforts to help small business managers and residential customers reduce their energy bills?
1   YES
2   NO
8   DON'T KNOW
9   REFUSED

SKIP TO SAT1 IF THE SAMPLE VARIABLE CEEP_PROJ=NONE
NEW2: Before today, did you know about PSE's support of a community project formally called [INSERT **CEEP_PROJ** FROM SAMPLE]….?
1   YES
2   NO
8   DON'T KNOW
9   REFUSED

SAT1: Has your involvement in this program, that is, the audit and/or improvements made, changed your degree of satisfaction with Puget Sound Energy—either positively or negatively?
1   NO, DIDN'T CHANGE IT
2   YES, IMPROVED IT
3   YES, BUT REDUCED SATISFACTION
8   DON'T KNOW
9   REFUSED

ATTITUDE IMPACT

REC: Please rate on a scale of 1 to 7 how likely it is that you would recommend this option as a "good value" to a friend, neighbor or relative. Consider 7 equals extremely likely to recommend, 4 equals may or may not recommend, and 1 equals not likely at all to recommend.

Not likely at all to recommend			May or may not recommend			Extremely likely to recommend	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

EXPA: Thinking back on your decision to get an audit, did the audit… [READ LIST]
1   Exceed your expectations,   **[GO TO EXPA1]**
2   Meet your expectations,   **[SKIP TO VALU]**
3   Or fall short of your expectations?   **[SKIP TO EXPA2]**
8   DON'T KNOW   **[SKIP TO VALU]**
9   REFUSED   **[SKIP TO VALU]**

EXPA1: Did it exceed your expectations a little or a lot?
1   A little   **[SKIP TO VALU]**
2   A lot   **[SKIP TO VALU]**
8   DON'T KNOW **[SKIP TO VALU]**
9   REFUSED   **[SKIP TO VALU]**

EXPA2: Did it fall short of your expectations a little or a lot?

1   A little   **[CONTINUE TO VALU]**
2   A lot   **[CONTINUE TO VALU]**
8   DON'T KNOW **[CONTINUE TO VALU]**
9   REFUSED   **[CONTINUE TO VALU]**

VALU: Please rate Puget Sound Energy based on the quality of service you receive relative to what you pay. Choose any number between 1 and 7, with 7 defined as "extremely good value" and 1 meaning "extremely poor value."

Extremely poor value						Extremely good value	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

SAT2: Now, please think about "all" aspects of Puget Sound Energy service, and I would like your overall opinion of the company. 7 means you are completely satisfied, 1 means you are not at all satisfied. What number would you give the "company"?

Not satisfied at all						Completely satisfied	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

IPRV: Have you mentioned your energy improvement work or your involvement in this program to any friends, family or acquaintances?

1   YES
2   NO
8   DON'T KNOW
9   REFUSED

WEB: Do you ever receive or share website articles about tips or technologies for reducing your energy bills?

1   YES
2   NO
8   DON'T KNOW
9   REFUSED

WIZ: Compared to your friends, do you think of yourself as "above average" in energy knowledge and technologies?

1   YES
2   NO
8   DON'T KNOW
9   REFUSED

UNEXP: Did getting the energy improvements (i.e., that you mentioned previously when asked "What kind of changes, if any, did you make because of the audit?") create any unexpected problems?

1   YES
2   NO, NO PROBLEMS AT ALL   **[SKIP TO QUESTION CUST1]**
8   DON'T KNOW   **[SKIP TO QUESTION CUST1]**
9   REFUSED   **[SKIP TO QUESTION CUST1]**

UNEXA: Were the problems major or minor?

1   MAJOR
2   MINOR
8   DON'T KNOW
9   REFUSED

UNEXB: What were the problems? CLARIFY AND PROBE.
RECORD VERBATIM
8   DON'T KNOW
9   REFUSED

PROGRAMMING NOTE: ALL PARTICIPANTS SKIP TO DEMOGRAPHICS SECTION, QUESTION CUST1

NON-PARTICIPANT SECTION

CREDIT FOR PUGET SOUND ENERGY

NMSG1: We want to measure how effective communications to local residents are. I'm going to read some activities sponsored by local governments, Public Utility Districts, or the Bonneville Power Administration that involve private utilities. I'd like to know whether or not any information about each of them has been communicated to you by ad, news story, bill insert or other means. Have you received or learned information on…? [READ EACH, RECORD ONE RESPONSE FOR EACH]
[RANDOMIZE]

	YES	NO	DON'T KNOW	REFUSED
Managing lands near hydro dams for wildlife management and fisheries success	●	●	●	●
No-charge home weatherization efforts for the needy	●	●	●	●
Building/managing wind farms that provide power to grid	●	●	●	●
Rebates for energy efficient lights and appliances	●	●	●	●
Job training for green jobs	●	●	●	●
Free CFLs (compact fluorescent light bulbs)	●	●	●	●
Duct sealing for manufactured homes	●	●	●	●

NWK1a: In the past two years, has your firm's facilities had energy improvement work or equipment upgrades done?

1	YES	**[IF NWK1a=YES, continue to NWK1b]**
2	NO	**[SKIP TO NREB4]**
8	DON'T KNOW/DON'T RECALL	**[SKIP TO NREB4]**
9	REFUSED	**[SKIP TO NREB4]**

NWK1B: Was work done with the involvement of any of the following organizations? **[RANDOMIZE 1-8]**
{READ EACH, RECORD ALL THAT APPLY]

1   City of Ellensburg
2   Opportunity Council, commonly referred to as the Bellingham/Whatcom County Energy
        Challenge or the Whatcom Energy Challenge
3   Sustainable Connections
4   Puget Sound Energy
5   UCONS L.L.C
6   Snohomish County Public Utility District
7   SustainableWorks
8   Thurston Energy or HomePlus
9   OTHER PARTY, INCLUDING SELF (PLEASE SPECIFY) _____
10   NONE OF THE ABOVE [EXCLUSIVE]
98   DON'T KNOW [EXCLUSIVE]
99   REFUSED   [EXCLUSIVE]

NREB4: Have you taken advantage of any rebates from PSE when buying products or services?
1   YES
2   MAYBE, DON'T RECALL
3   DEFINITELY NOT
8   DON'T KNOW
9   REFUSED

NFMLR: On a scale of 1 to 7, how familiar would you say you are with PSE programs that help customers with energy efficiency? Consider 7 equals highly familiar and 1 equals not familiar at all.

Not familiar at all						Highly familiar	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

NNEW1: Have you heard news or comments in the past six months about PSE community partnership efforts to help small business managers and residential customers reduce their energy bills?
1   YES
2   NO
8   DON'T KNOW
9   REFUSED

SKIP TO NVALU IF THE SAMPLE VARIABLE CEEP_PROJ=NONE
NNEW2: Before today, did you know about PSE's support of a community project formally called [INSERT **CEEP_PROJ** FROM SAMPLE]….?
1   YES
2   NO
8   DON'T KNOW
9   REFUSED

ATTITUDE IMPACT

NVALU: Please rate Puget Sound Energy based on the quality of service you receive relative to what you pay. Choose any number between 1 and 7, with 7 defined as "extremely good value" and 1 meaning "extremely poor value."

Extremely poor value						Extremely good value	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

NSAT2: Now, please think about "all" aspects of Puget Sound Energy service, and I would like your overall opinion of the company. 7 means you are completely satisfied, 1 means you are not at all satisfied. What number would you give the "company"?

Not satisfied at all						Completely satisfied	DON'T KNOW	REFUSED
1	2	3	4	5	6	7	98	99

ASK NIPRV IF NWK1a=1 ELSE SKIP TO NWEB
NIPRV: Have you mentioned your energy improvement work to any friends, family or acquaintances?
1   YES
2   NO
8   DON'T KNOW
9   REFUSED

NWEB: Do you ever receive or share website articles about tips or technologies for reducing your energy bills?

1   YES
2   NO
8   DON'T KNOW
9   REFUSED

NWIZ: Compared to your friends, do you think of yourself as "above average" in energy knowledge and technologies?

1   YES
2   NO
8   DON'T KNOW
9   REFUSED

DEMOGRAPHICS

CUST1: I have just a few questions left to ask for classification purposes. First, is your organization or firm supplied by Puget Sound Energy for electricity, natural gas or both?

1   YES, SERVED ELECTRICITY BY PUGET SOUND ENERGY
2   YES, SERVED NATURAL GAS BY PUGET SOUND ENERGY
3   YES, SERVED BOTH ELECTRICITY & NATURAL GAS BY PUGET SOUND ENERGY
4   NO, NEITHER GAS NOR ELECTRIC BY PSE
8   DON'T KNOW
9   REFUSED

OWN: Do you own or rent your facilities at <**INSERT SERVICE_ADDRESS FROM SAMPLE**>?

1   OWN
2   RENT
3   OTHER [SPECIFY]_____
8   DON'T KNOW
9   REFUSED

NUM: How many people currently live full-time in that home, at least six months of the year, including yourself?
__   ENTER NUMBER OF PEOPLE **[Range 1-20]**
        88   DON'T KNOW
        99   REFUSED

SQFT: Roughly how many square feet of heated space does your facility have?
        IF NECESSARY ADD "Please use your best estimate."
        ____   ENTER NUMBER OF SQUARE FEET **[Range 1 to 100,000]**
        888888 DON'T KNOW
        999999 REFUSED

AGE: It's helpful if we can analyze comments by age group. Would you please tell me which of the following categories includes your age? Is it…[READ LIST]
1   Under 25
2   25 to 34,
3   35 to 44,
4   45 to 54,
5   55 to 64, or
6   65 or older?
8   DON'T KNOW
9   REFUSED

INC: We're collecting information from hundreds of customers, and it's helpful to know the income boundaries for sets of respondents. This information will not be retained after analysis. I'm going to read a list of broad income ranges. Please stop me when I state the range that contains your household's annual income before taxes in 2011. Was it… [READ LIST].
1   Up to $30,000 per year,
2      $30,000 to under $50,000,
3      $50,000 to under 75,000,
4      $75,000 to under $100,000,
5      $100,000 to under $150,000,
6      $150,000 to under $200,000,
7      $200,000 or more?
8   DON'T KNOW
9   REFUSED

GEN: GENDER (DO NOT ASK)
1   MALE
2   FEMALE
3   UNSURE

THANK   Thank you for taking time to help with our survey and the helpful information you provided. Have a great evening!

Evaluation Report Response

Program: Energy Efficient Communities (EEC)
Program Manager: Jessica Geenen
Study Report Name: Energy Efficient Communities Program Evaluation
Report Date: August 17, 2012
Evaluation Analyst: Eric Brateng
Evaluation Firm: Navigant Consulting, Inc.
Date of ERR: September 14, 2012

Please describe in detail, action plans to address the study's key findings and recommendations.

PSE contracted with Navigant Consulting, Inc. to provide independent 3rd party evaluation services for the Energy Efficient Communities (EEC) program as well as the impact that the Community Energy Efficiency Pilot Program (CEEP) had on PSE program participation. Navigant sought input from numerous sources both within PSE and external to PSE in order to provide input and recommendations from a process aspect of the program delivery.

As noted in the Evaluation, PSE increased its EEC team staff in part to provide proactive support to the 30+ cities, counties, and community organizations that were poised to receive ARRA funding. This evaluation partially focuses on the results of these ARRA-funded partnerships and how they impacted the EEC program goals, as well as the overall approach of the EEC team in their outreach.
As ARRA-funded efforts wind down, the EEC program team will turn its attention more towards providing proactive outreach services to PSE programs. The team intends to build on the relationships it established during ARRA and has commissioned this evaluation to in part to identify best practices and lessons learned that can be applied moving forward.

Some of the key findings that the report discovered are listed below in bold text. All PSE responses are in non-bold print.

The EEC Program has a unique and valuable role to play within the PSE organization and the communities served by PSE. Community partners place a high value on the EE Communities team's efforts to collaborate, pilot innovative outreach strategies, and keep communities apprised of PSE's program opportunities.

The key to the program's future success will be in finding a balance between maintaining the flexibility to cater to each community's unique combination of needs, motivations, program goals, delivery mechanisms, and demographics and reaching PSE's internal goal of leveraging community channels to increase participation in PSE's programs.

PSE program participation increased significantly more in CEEP communities than in non-CEEP communities during the 2010-11 time frame following the introduction of CEEP in early 2010.

> **Response:** In reviewing the communities highlighted in this report, it appears there were no net increases in participation in two out of the three communities, when comparing them against non-CEEP communities. While there may be some reason to validate one CEEP organization's involvement in enhancing awareness of PSE programs in the community that saw a statistical bump, it is PSE's belief that this does not constitute a majority, thus stating that all CEEP communities outperformed non-CEEP communities is inaccurate.
> Additionally, PSE believes that making the assumption that any CEEP organization's involvement was solely responsible for the suggested increase does not accurately take into account other factors that influenced the market in 2008-2009 as opposed to 2010-2011. In the least, adjustment to utility rebate programs, the addition of new federal tax credits and two regionalized EEC outreach staff, as well as the introduction of federal stimulus funding should have been considered as major contributors in this analysis.

CEEP audit program participants were more likely to report actually installing measures and taking advantage of PSE's energy efficiency rebates than participants in PSE's HomePrint audit program.

CEEP participants are also more satisfied with their audit and retrofit experience than PSE program participants, **with CEEP participants indicating a significantly higher likelihood of recommending the program to their family and friends.**

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PSE will remain open to discussion about future improvements to its HomePrint program if and when it proves useful.

Though it would be nice for PSE to gain additional community goodwill by having their contributions to the CEEP partnerships recognized by customers, the lack of prominent PSE branding on some program marketing materials does not appear to be diminishing PSE's brand or customer awareness of PSE programs in any way.

Perhaps the most significant opportunity for improvement is data tracking and sharing, both internally (to share market intelligence about communities with other program staff) and externally (to enable community partners to assess the effectiveness of their efforts to drive participation into PSE programs). Another potential challenge is balancing the demands of internal stakeholders who want the community partnerships to drive customers directly into PSE efficiency programs and community partners who may want to implement an approach that does not align perfectly with PSE's existing program offerings.

The following section presents recommendations to help PSE navigate these challenges moving forward.

Process Improvement Recommendations and PSE Responses

Based on the evaluation, Navigant identified areas for process improvement in the EEC program, organized into five categories.

I. EE Communities Program Strategy

PSE should articulate a clear strategy for the EE Communities Program, and carefully define the scope of the team's responsibilities for both internal and external parties.

> **Response:** The EEC team will be working on finalizing a program strategy through the end of 2012, and into 2013. This work was previously conducted in 2009/2010 when the team was part of the Community Outreach and Education group in the Energy Efficiency Department. With a new reorganization, a redirected focus and two more team members, an updated strategy will be created, per the recommendation. The strategy will include:
> > A. Objective/purpose for the team

B. Overarching/high level goals for the team
C. Strategic imperatives
D. Stakeholder map
E. Criteria for strategic stakeholder engagement

A crucial part of defining the program's strategy is establishing metrics and criteria for success. The EE Communities team has a valuable role to play within the organization not only in directly establishing community partnerships that help drive participation in PSE's energy efficiency programs, but also in:

A. **Market Intelligence: Gaining a more sophisticated understanding of the individual communities that comprise PSE's service territory and the varying needs and characteristics of those communities.**
B. **Relationship Building: Establishing goodwill and trust between PSE and local governments/community groups.**
C. **Communications: Serving as a liaison between PSE and community groups/trade allies/program implementers/others who are in the field working with customers who struggle with keeping up to date with changes in PSE programs and who also may recognize opportunities that PSE has missed and can provide valuable feedback on program design.**
D. **Innovation: Piloting innovative approaches to program delivery (such as the human-centric, holistic approaches employed by CEEP programs) which may result in recommendations to improve PSE program design and implementation and help establish PSE as a leading edge efficiency program provider.**

Response: As part of the strategy creation mentioned above, the EEC team will work to define metrics for the team to track over time to determine effectiveness. This work was also initiated in 2009 and 2010 and will be updated to reflect the new direction of the EEC team. Some ideas the team has to date on the above recommendations by Navigant include:

A. Expansion of existing community profiles to overlap with the Contact Management Database referred to in recommendation #5 below. A system to document characteristics of the communities PSE serves and the engagements we have had with them to date from Customer Solutions would be a valuable tool to initiate.
B. The relationship building aspect of the EEC team's work will be captured in the Contact Management Database, which should also include tracking of partner promotions of EE programs. This could include making note of marketing materials distributed on PSE's behalf, lead generation and others.
C. Because correspondence with community partners is a major function of the EEC team, and is done almost all day, every day, this metric could be challenging to track. However, the team will brainstorm ways to measure this.

D. Innovations sparked by the team's work with stakeholders could be included in quarterly and yearly reports, as these efforts are usually longer-term engagements.

II.   Internal Program Positioning & Processes

As discussed in the previous section, PSE needs to be clear internally what role the EE Communities team plays in relation to other staff and departments. The EE Communities team needs to carefully preserve the two-way communication between PSE and partners as they adopt a more proactive program outreach role within PSE, and ensure that community voices are heard when PSE is making program planning and outreach decisions. PSE should be careful to avoid losing the program's ability to implement flexible and innovative partnerships based on individual communities' needs.

Response: The EEC team has already been working on providing more clarity about the role it plays in the company in the first half of 2012. A few ways this has been done include:

A. Creation of a map with visual markers identifying work the EEC team has completed for PSE programs in the various communities, which was displayed at the Customer Solutions Fair and now hangs at the end of the team row in the office.

B. Drafting of our team mission in three bullet points, which also hangs at the end of the team row in the office.

C. Creation of "day in the life of" presentations to provide at department meetings, such as the Business Energy Management all-staff. These presentations highlight the various Customer Solutions programs that the team promotes and supports and the variety of customers and stakeholders that they engage in doing so. These more informal presentations should open up other team members to what it is we do to support programs.

D. A push to take more pictures of us conducting work in the communities, including images of initiatives we help design, but of which we might not necessarily be front and center.

E. Added engagement in each of the Energy Efficiency program channels by assigning one EEC team member to each channel. The embedded EEC responsibilities are to attend the recurring program and marketing meetings of their assigned channel, update other EEC staff members on program changes, and bring back customer and stakeholder feedback to the programs to consider in their program design and delivery. This model was based on what the Energy Advisor team initiated, and has allowed for a greater understanding of how the EEC team supports programs. Embedded EEC team members have already brought expanded awareness of customer feedback to Energy Efficiency marketing personnel and program staff through insights gleaned from

field activity. This customer feedback may never have been received by internal staff without embedded EEC team members attending recurring meetings.

Other recommendations related to internal positioning and processes include:

A. **Establish and communicate clear internal processes for engaging the EE Communities team in program decisions.**

   Response: The embedded EEC team members are currently included in each channel's meetings, and the responsibilities associated have been drafted up for each channel. In the next biennium planning process, the embedded staff members will be included in the planning teams.

B. **Formalize EE Communities program offerings for internal staff. This may involve developing a "services menu" for staff reference; this menu would outline what the EE Communities team can provide in terms of program support, and could include timelines for staff requests, calendars for yearly or ongoing event opportunities, etc.**

   Response: A "Menu of Services" would be beneficial, so the EEC team will discuss it in the strategy creation sessions.

C. **Clearly communicate the EE Communities program value and strategy to PSE program staff on an ongoing basis.**

   Response: The EEC Coordinators and Managers work to bring visibility to the overall team's value through their meetings as embedded channel members.

D. **Ensure that PSE leadership recognizes the program's value by highlighting efforts in leadership and all staff meetings and other internal communications**

   Response: The Market Manager works to bring visibility to the team's work through notifications (usually through emails) to management on upcoming community initiatives, as well as through engagement in management meetings with other Market Managers, the EE Managers and Customer Solutions leadership team.

E. **Highlight community "personalities" and profiles in internal communications to ensure that staff members understand each community's traits.**

   Response: The Community Profiles developed for each city and county in PSE's service territory describe program participation (what programs each community's commercial and residential customers participate in each calendar

year) are distributed every spring, are linked to on the intranet and will soon be posted at the end of the team row in the office. However, the system to document various community characteristics mentioned above will be shared with EE staff once complete. The best way to do so will be determined at a future date. Currently, the EEC team does aim to provide context of community characteristics with program staff when working in a community.

III. Partnership Processes and Selection

Navigant recommends that the EE Communities team work to identify common processes that occur in most partnerships (particularly ones that regularly present challenges, such as data sharing) and develop documented processes that help guide partners through the various stages of developing and implementing a partner program.

Specific processes and components of partnerships that may benefit from PSE creating a more formalized, documented process framework include:

    A. Event support (attendance and financial sponsorship)
    B. Co-branding
    C. Incentive structures, if applicable
    D. Data sharing guidelines (more on this in Section 5)
    E. How and when PSE program updates will be shared
    F. Pilot programs
    G. Additional requests

Response: As part of the EEC team's strategy work, documenting this framework would be valuable. Many internal communication processes would need to be improved upon in order to have a clear framework, but as noted previously, the EEC team has become more embedded in the channels and therefore communications have improved. With ever-changing market conditions, regulatory imperatives and rate of customer participation in our programs, the Energy Efficiency programs require swift changes at times. This precludes even the internal teams, like EEC, from getting a "heads up" on changes, as we find out at the same time as third-party contractors. This is improving, but advanced notice is not always possible.

In terms of prioritizing future partnership efforts, PSE should continue to proactively work with partners to build on the foundation of programs that ARRA funding helped establish. PSE stakeholders and partners alike valued the role that PSE played in facilitating regional collaboration during the ARRA funding period, and PSE should continue to play an active role in those discussions by attending meetings, sharing ideas, and offering program solutions and collaboration opportunities to partners as they explore their role in the post-ARRA era.

As demands on the EE Communities team's time increase, the program may want to consider implementing various strategies to select partnerships in a more systematic manner:

A. **Implement a grant application or RFQ process in which communities have to submit letters of intent or proposals in a structured format; provide communities with assistance in developing proposals as necessary, but make go/no-go decisions about several communities at once at specific intervals (e.g., annually or bi-annually) rather than on an ad-hoc basis.**

   Response: The idea of an RFQ process is an intriguing one, and is something the EEC team will consider as part of the strategy creation. The complicating factor is that PSE cannot provide energy efficiency "grants" to community partners, and therefore it would be an RFQ to partner with PSE on its existing programs with more hands-on guidance. With the work required to create a proposal, it would seem doubtful communities would invest the time. Nevertheless, this is an idea that could be built upon.

B. **Consider creating community profiles with a "partner propensity" indicator to help PSE staff assess strategies and opportunities; include information on communities' adoption of climate action goals, current PSE program participation levels, etc.**

   Response: Partner propensity evaluation is also an intriguing concept and one that ties in nicely with the suggestion of creating partner criteria. The EEC team will also look into this.

IV. Partner Communications

One of the most crucial roles played by the EE Communities team is that of the liaison between other PSE programs and departments and the community partners. Navigant recommends several improvements to communications with partner organizations:

A. **Communicate changes to program offerings well in advance to provide partners with the opportunity to "sync" their planning and budgeting with PSE program implementation.**

   Response: As noted above, many internal communication processes would need to be improved upon in order to have a clear framework, but internal communications have been improving. Despite the progress, advanced notice is not always possible.

B. **Establish regularly scheduled partner email newsletters to keep partners apprised of PSE program changes and partnership opportunities and highlight community partners' success stories.**

   Response: When inquiring with community partners in 2011 on their interest in communications with PSE, none of the organizations were interested in an additional newsletter. Perhaps ensuring the partners are already signed onto the various EE program newsletters (residential, commercial, contractor), they will

receive the information they need without the internal investment of time into a new newsletter.

C. **Highlight community partners in internal and external communications, such as internal newsletters, the PSE website, press releases, or awards ceremonies.**

Response: The EEC team has highlighted community partners in our internal newsletters, reports and communications. There are not as many vehicles to share the information externally, but when the opportunity is available, we strive to showcase the great work our partners are doing.

D. **Hold an annual partner round-table or forum to share ideas and best practices across the region and to brainstorm cutting edge and innovative strategies to pilot in communities, such as on-bill financing.**

Response: Many other forums to discuss these issues have been designed on a regional level, mostly by entities such as the Department of Commerce and WSU EE. PSE has attended and contributed at these existing events, and we currently do not see the need to create new ones. However, if the need exists, we would consider doing so.

V. Data Tracking and Data Sharing

Navigant recommends that PSE make the development of the contact management system a high priority and explore ways in which the system can integrate with PSE's other program databases to pull in data on community residents' participation in rebate programs and other PSE programs, ideally on a real-time or regularly scheduled basis.

Response: The EEC team has created a shared contact list in Microsoft Outlook to use for contact management. While Outlook is not the ideal tool for contact management given its somewhat limited structural flexibility, the team explored several options with PSE's IT staff, including commissioning a new database, using Excel, or using various existing database/contact management systems, and Outlook was identified as the best alternative. This process should be complete by end of 2012.

Both PSE and community partners emphasized the ongoing challenge of data sharing. Partners want to gain access to information that help them implement and evaluate their programs, and PSE is hampered by a number of regulatory and IT challenges in providing that data to partners. Navigant recommends the following steps to improve data sharing between PSE and partners:

- **Develop a concise document summarizing what data PSE can and cannot share, the reasons why certain data cannot be shared, and a step-by-step process for**

obtaining what data can be shared, including contact information. Provide this document at the outset of the partnership and review in detail so the partner understands what to expect from PSE and can plan their own data collection activities accordingly, if applicable.

- **Hold a roundtable discussion with partners to discuss data sharing rules/regulations and work to develop feasible solutions for a streamlined data sharing mechanism, so that partners feel that they are a part of the process.**
- **Develop a format for community energy profiles using PSE energy usage data that maintains customer privacy and meets regulatory standards while still providing useful information that can help community partners design and target programs. Consider sharing marketing segmentation information with partners as well.**

Response: PSE created a mechanism to provide data that the CEEP programs needed through WSU EE under the protection of a non disclosure agreement. Having one party as aggregator of requests and a schedule for data requests ensures that the data provision is efficient and streamlined. At this point the process seems to be working, however we will remain open to drafting the suggested document and having the discussion if and when it proves useful. PSE can provide community-wide energy profiles on program participation to community partners. The utility can also provide community usage information to municipalities or counties directly to share with community groups. WAC rules exist that prevent PSE from providing customer data to third parties for the explicit purpose of marketing, so the data we can provide for targeting programs is limited.

Energy Efficient Communities Program Evaluation

Contents:

- Energy Efficient Communities Program Evaluation
- Evaluation Report Response

This document contains both the final EE Communities Program Evaluation Report and the Puget Sound Energy Evaluation Report Response (ERR). PSE program managers prepare an ERR upon completion of an evaluation of their program. The ERR addresses and documents adjustments on program metrics or processes subsequent to the evaluation.

Evaluation Report Response

Program: Energy Efficient Communities (EEC)
Program Manager: Jessica Geenen
Study Report Name: Energy Efficient Communities Program Evaluation
Report Date: August 17, 2012
Evaluation Analyst: Eric Brateng
Evaluation Firm: Navigant Consulting, Inc.
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D. Stakeholder map
E. Criteria for strategic stakeholder engagement

A crucial part of defining the program's strategy is establishing metrics and criteria for success. The EE Communities team has a valuable role to play within the organization not only in directly establishing community partnerships that help drive participation in PSE's energy efficiency programs, but also in:

A. **Market Intelligence: Gaining a more sophisticated understanding of the individual communities that comprise PSE's service territory and the varying needs and characteristics of those communities.**
B. **Relationship Building: Establishing goodwill and trust between PSE and local governments/community groups.**
C. **Communications: Serving as a liaison between PSE and community groups/trade allies/program implementers/others who are in the field working with customers who struggle with keeping up to date with changes in PSE programs and who also may recognize opportunities that PSE has missed and can provide valuable feedback on program design.**
D. **Innovation: Piloting innovative approaches to program delivery (such as the human-centric, holistic approaches employed by CEEP programs) which may result in recommendations to improve PSE program design and implementation and help establish PSE as a leading edge efficiency program provider.**

Response: As part of the strategy creation mentioned above, the EEC team will work to define metrics for the team to track over time to determine effectiveness. This work was also initiated in 2009 and 2010 and will be updated to reflect the new direction of the EEC team. Some ideas the team has to date on the above recommendations by Navigant include:

A. Expansion of existing community profiles to overlap with the Contact Management Database referred to in recommendation #5 below. A system to document characteristics of the communities PSE serves and the engagements we have had with them to date from Customer Solutions would be a valuable tool to initiate.
B. The relationship building aspect of the EEC team's work will be captured in the Contact Management Database, which should also include tracking of partner promotions of EE programs. This could include making note of marketing materials distributed on PSE's behalf, lead generation and others.
C. Because correspondence with community partners is a major function of the EEC team, and is done almost all day, every day, this metric could be challenging to track. However, the team will brainstorm ways to measure this.

D. Innovations sparked by the team's work with stakeholders could be included in quarterly and yearly reports, as these efforts are usually longer-term engagements.

II. Internal Program Positioning & Processes

As discussed in the previous section, PSE needs to be clear internally what role the EE Communities team plays in relation to other staff and departments. The EE Communities team needs to carefully preserve the two-way communication between PSE and partners as they adopt a more proactive program outreach role within PSE, and ensure that community voices are heard when PSE is making program planning and outreach decisions. PSE should be careful to avoid losing the program's ability to implement flexible and innovative partnerships based on individual communities' needs.

Response: The EEC team has already been working on providing more clarity about the role it plays in the company in the first half of 2012. A few ways this has been done include:

A. Creation of a map with visual markers identifying work the EEC team has completed for PSE programs in the various communities, which was displayed at the Customer Solutions Fair and now hangs at the end of the team row in the office.

B. Drafting of our team mission in three bullet points, which also hangs at the end of the team row in the office.

C. Creation of "day in the life of" presentations to provide at department meetings, such as the Business Energy Management all-staff. These presentations highlight the various Customer Solutions programs that the team promotes and supports and the variety of customers and stakeholders that they engage in doing so. These more informal presentations should open up other team members to what it is we do to support programs.

D. A push to take more pictures of us conducting work in the communities, including images of initiatives we help design, but of which we might not necessarily be front and center.

E. Added engagement in each of the Energy Efficiency program channels by assigning one EEC team member to each channel. The embedded EEC responsibilities are to attend the recurring program and marketing meetings of their assigned channel, update other EEC staff members on program changes, and bring back customer and stakeholder feedback to the programs to consider in their program design and delivery. This model was based on what the Energy Advisor team initiated, and has allowed for a greater understanding of how the EEC team supports programs. Embedded EEC team members have already brought expanded awareness of customer feedback to Energy Efficiency marketing personnel and program staff through insights gleaned from

field activity. This customer feedback may never have been received by internal staff without embedded EEC team members attending recurring meetings.

Other recommendations related to internal positioning and processes include:

A. **Establish and communicate clear internal processes for engaging the EE Communities team in program decisions.**

   Response: The embedded EEC team members are currently included in each channel's meetings, and the responsibilities associated have been drafted up for each channel. In the next biennium planning process, the embedded staff members will be included in the planning teams.

B. **Formalize EE Communities program offerings for internal staff. This may involve developing a "services menu" for staff reference; this menu would outline what the EE Communities team can provide in terms of program support, and could include timelines for staff requests, calendars for yearly or ongoing event opportunities, etc.**

   Response: A "Menu of Services" would be beneficial, so the EEC team will discuss it in the strategy creation sessions.

C. **Clearly communicate the EE Communities program value and strategy to PSE program staff on an ongoing basis.**

   Response: The EEC Coordinators and Managers work to bring visibility to the overall team's value through their meetings as embedded channel members.

D. **Ensure that PSE leadership recognizes the program's value by highlighting efforts in leadership and all staff meetings and other internal communications**

   Response: The Market Manager works to bring visibility to the team's work through notifications (usually through emails) to management on upcoming community initiatives, as well as through engagement in management meetings with other Market Managers, the EE Managers and Customer Solutions leadership team.

E. **Highlight community "personalities" and profiles in internal communications to ensure that staff members understand each community's traits.**

   Response: The Community Profiles developed for each city and county in PSE's service territory describe program participation (what programs each community's commercial and residential customers participate in each calendar

year) are distributed every spring, are linked to on the intranet and will soon be posted at the end of the team row in the office. However, the system to document various community characteristics mentioned above will be shared with EE staff once complete. The best way to do so will be determined at a future date. Currently, the EEC team does aim to provide context of community characteristics with program staff when working in a community.

III. Partnership Processes and Selection

Navigant recommends that the EE Communities team work to identify common processes that occur in most partnerships (particularly ones that regularly present challenges, such as data sharing) and develop documented processes that help guide partners through the various stages of developing and implementing a partner program.

Specific processes and components of partnerships that may benefit from PSE creating a more formalized, documented process framework include:

    A. Event support (attendance and financial sponsorship)
    B. Co-branding
    C. Incentive structures, if applicable
    D. Data sharing guidelines (more on this in Section 5)
    E. How and when PSE program updates will be shared
    F. Pilot programs
    G. Additional requests

Response: As part of the EEC team's strategy work, documenting this framework would be valuable. Many internal communication processes would need to be improved upon in order to have a clear framework, but as noted previously, the EEC team has become more embedded in the channels and therefore communications have improved. With ever-changing market conditions, regulatory imperatives and rate of customer participation in our programs, the Energy Efficiency programs require swift changes at times. This precludes even the internal teams, like EEC, from getting a "heads up" on changes, as we find out at the same time as third-party contractors. This is improving, but advanced notice is not always possible.

In terms of prioritizing future partnership efforts, PSE should continue to proactively work with partners to build on the foundation of programs that ARRA funding helped establish. PSE stakeholders and partners alike valued the role that PSE played in facilitating regional collaboration during the ARRA funding period, and PSE should continue to play an active role in those discussions by attending meetings, sharing ideas, and offering program solutions and collaboration opportunities to partners as they explore their role in the post-ARRA era.

As demands on the EE Communities team's time increase, the program may want to consider implementing various strategies to select partnerships in a more systematic manner:

A. **Implement a grant application or RFQ process in which communities have to submit letters of intent or proposals in a structured format; provide communities with assistance in developing proposals as necessary, but make go/no-go decisions about several communities at once at specific intervals (e.g., annually or bi-annually) rather than on an ad-hoc basis.**

   Response: The idea of an RFQ process is an intriguing one, and is something the EEC team will consider as part of the strategy creation. The complicating factor is that PSE cannot provide energy efficiency "grants" to community partners, and therefore it would be an RFQ to partner with PSE on its existing programs with more hands-on guidance. With the work required to create a proposal, it would seem doubtful communities would invest the time. Nevertheless, this is an idea that could be built upon.

B. **Consider creating community profiles with a "partner propensity" indicator to help PSE staff assess strategies and opportunities; include information on communities' adoption of climate action goals, current PSE program participation levels, etc.**

   Response: Partner propensity evaluation is also an intriguing concept and one that ties in nicely with the suggestion of creating partner criteria. The EEC team will also look into this.

IV. Partner Communications

One of the most crucial roles played by the EE Communities team is that of the liaison between other PSE programs and departments and the community partners. Navigant recommends several improvements to communications with partner organizations:

A. **Communicate changes to program offerings well in advance to provide partners with the opportunity to "sync" their planning and budgeting with PSE program implementation.**

   Response: As noted above, many internal communication processes would need to be improved upon in order to have a clear framework, but internal communications have been improving. Despite the progress, advanced notice is not always possible.

B. **Establish regularly scheduled partner email newsletters to keep partners apprised of PSE program changes and partnership opportunities and highlight community partners' success stories.**

   Response: When inquiring with community partners in 2011 on their interest in communications with PSE, none of the organizations were interested in an additional newsletter. Perhaps ensuring the partners are already signed onto the various EE program newsletters (residential, commercial, contractor), they will

receive the information they need without the internal investment of time into a new newsletter.

C. Highlight community partners in internal and external communications, such as internal newsletters, the PSE website, press releases, or awards ceremonies.

Response: The EEC team has highlighted community partners in our internal newsletters, reports and communications. There are not as many vehicles to share the information externally, but when the opportunity is available, we strive to showcase the great work our partners are doing.

D. Hold an annual partner round-table or forum to share ideas and best practices across the region and to brainstorm cutting edge and innovative strategies to pilot in communities, such as on-bill financing.

Response: Many other forums to discuss these issues have been designed on a regional level, mostly by entities such as the Department of Commerce and WSU EE. PSE has attended and contributed at these existing events, and we currently do not see the need to create new ones. However, if the need exists, we would consider doing so.

V. Data Tracking and Data Sharing

Navigant recommends that PSE make the development of the contact management system a high priority and explore ways in which the system can integrate with PSE's other program databases to pull in data on community residents' participation in rebate programs and other PSE programs, ideally on a real-time or regularly scheduled basis.

Response: The EEC team has created a shared contact list in Microsoft Outlook to use for contact management. While Outlook is not the ideal tool for contact management given its somewhat limited structural flexibility, the team explored several options with PSE's IT staff, including commissioning a new database, using Excel, or using various existing database/contact management systems, and Outlook was identified as the best alternative. This process should be complete by end of 2012.

Both PSE and community partners emphasized the ongoing challenge of data sharing. Partners want to gain access to information that help them implement and evaluate their programs, and PSE is hampered by a number of regulatory and IT challenges in providing that data to partners. Navigant recommends the following steps to improve data sharing between PSE and partners:

- **Develop a concise document summarizing what data PSE can and cannot share, the reasons why certain data cannot be shared, and a step-by-step process for**

obtaining what data can be shared, including contact information. Provide this document at the outset of the partnership and review in detail so the partner understands what to expect from PSE and can plan their own data collection activities accordingly, if applicable.

- **Hold a roundtable discussion with partners to discuss data sharing rules/regulations and work to develop feasible solutions for a streamlined data sharing mechanism, so that partners feel that they are a part of the process.**
- **Develop a format for community energy profiles using PSE energy usage data that maintains customer privacy and meets regulatory standards while still providing useful information that can help community partners design and target programs. Consider sharing marketing segmentation information with partners as well.**

Response: PSE created a mechanism to provide data that the CEEP programs needed through WSU EE under the protection of a non disclosure agreement. Having one party as aggregator of requests and a schedule for data requests ensures that the data provision is efficient and streamlined. At this point the process seems to be working, however we will remain open to drafting the suggested document and having the discussion if and when it proves useful. PSE can provide community-wide energy profiles on program participation to community partners. The utility can also provide community usage information to municipalities or counties directly to share with community groups. WAC rules exist that prevent PSE from providing customer data to third parties for the explicit purpose of marketing, so the data we can provide for targeting programs is limited.