



## BIG DATA AND ENERGY EFFICIENCY

Tuesday, July 19, 2016

Big data, analytics and cloud software are modernizing energy efficiency programs across the country. These changes that are occurring around the measurement of savings has resulted in “Evaluation, Measurement and Verification 2.0 (EM&V 2.0),” which uses large volumes of energy consumption data and can streamline the evaluation process. New program designs are emerging and have sparked a nationwide conversation around how to move from the EM&V of today to the EM&V of tomorrow.

Stringent EM&V is the only way to really know how a program is performing, and the Office of Consumer Counsel (OCC) is opposed to cutting corners when it comes to the review and validation of efficiency programs in Connecticut. At the same time, it recognizes the reality that traditional evaluations can be lengthy and many times rely on old data that produce questionable results. This is one of many reasons to be “at the table” as these discussions take place. There are significant barriers to consider when examining “2.0” technologies and contemplating adding one or several into a traditional EM&V space.

- **Cost.** Ratepayer funds are limited, and any spending must be justified with a proven connection between costs and whatever measure is being provided or integrated.
- **Buy-in.** Moving from traditional EM&V to a new, advanced model is something the utility companies and others need to feel comfortable with before doing. If the value is proven and recognized, a comfort level will be met that would allow for the consideration of signing on to a pilot program, for example.
- **Policy.** Policymakers should focus on the cost-effectiveness for *everyone*, participants and non-participants alike. It’s not prudent to spend ratepayer funds unless it’s cost-beneficial from the ratepayers’ perspective. Policy goals also need to be considered by State Regulators.
- **Tension.** There is a natural tension between innovation and consumer advocacy that should be recognized and made part of the overall conversation regarding big data and modernization of the EM&V process. The OCC has been part of this ongoing, nationwide discussion and continues to encourage a reasonable goal of balancing innovation with the consumer’s wallet.