A black and white photograph of the Empire State Building, showing its iconic Art Deco architecture and spire, set against a backdrop of other city buildings.

ENERGY EFFICIENCY PROGRAM MANAGEMENT DESIGN GUIDE

Integrated Software Solutions Deliver Dramatic Reduction in Costs & Complexity

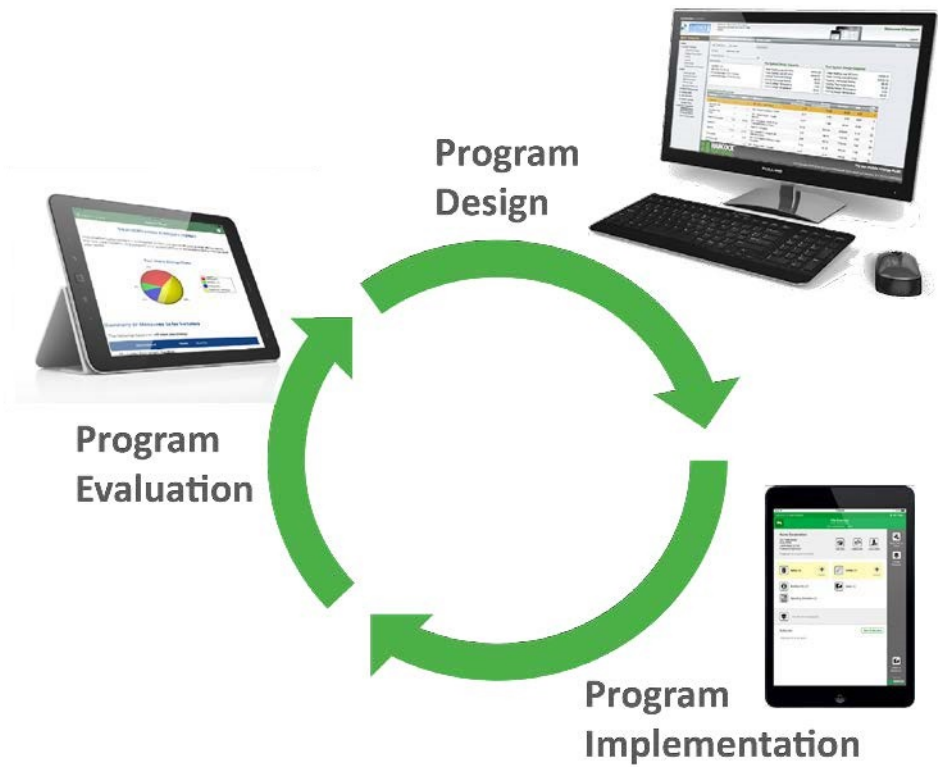
INTRODUCTION

You are ready to define, manage and automate your energy efficiency program to meet your organization's exact needs. But, Energy Efficiency Programs are extremely complex. Whether residential, commercial, or industrial, programs require a high level of coordination across organizations. Effective programs run through three major stages: 1) Program Design, 2) Program Implementation, and 3) Program Evaluation. Within each of these stages are numerous features that programs require to run smoothly. This guide provides you with recommendations and a checklist for must-have features to help you choose an ideal energy efficiency program your organization.

Successful energy management programs use a single solution from beginning to end. Ease of management for defining criteria, inputting data (including a mobile app for field collection), communicating changes, auditing costs, monitoring savings, and reporting is critical. A single, integrated solution ensures no data is lost along the way.

By laying out the requirements of the full lifecycle of running an energy efficiency program, this guide helps you identify a single solution program to reduce the overall cost and complexity of your program. Having a single solution ensures data is captured, readily available for processing and reporting, and can be efficiently mined in the future.

STAGES OF ENERGY EFFICIENCY PROGRAM



STAGE 1: PROGRAM DESIGN

Program success requires creating the right program design for your organization. Designing your program is often a reflection of learning from past programs and integrating new initiatives and technology. Program design and definition is the part of the process where the team sets the program goals and objectives. A solid program definition will cover what the team is trying to achieve as well as the prescribed incentives and measures to meet the goals. When choosing a solution, be sure that it can support:

Clearly defined program policies. Program policies include the participant qualification parameters, incentive and measure definitions, methods of validation, and timeframes. These expectations must be defined in a way that is easy to communicate to the full spectrum of participants. While many programs are able to define the entire program at the start, it is also important to enable mid-program changes with the proper approvals, or to add new or change existing applications to employ updated information.

PROGRAM DESIGN SOLUTIONS CHECKLIST

FEATURE	DESCRIPTION
<input type="checkbox"/> Program Creation	Enable the user to easily generate one or more new programs without the involvement of outside parties.
<input type="checkbox"/> Program Updates	Ensure that you are able to make changes to measurements & calculations in the middle of a program without losing historical data is critical in running any large scale program.
<input type="checkbox"/> Multiple Funding Source Management	Programs with more than one funding source requires the ability to define the funding sources used for the overall program, the goals of those funding sources, and the ability to tie the funding sources to specific qualifications, incentives, measures, and both direct and indirect costs. Each funding source should have the ability to set separate cost allowances.
<input type="checkbox"/> Direct & Indirect Cost	Direct costs frequently include the cost of implementing any changes or measures that are required to achieve energy savings. Indirect costs can include administrator costs, cost of audits or other supplemental costs. Strong solutions allow for the definition and implementation of varieties of both cost structures.
<input type="checkbox"/> Automated Validation	Set and enforce electronic validation of the specific qualifications of any applicants. This may include demographic requirements (including income), geographic requirements (county, state, zip), building requirements (age, building use, at-risk features), or energy consumption parameters (e.g., utilization over LPD). Be sure to choose a solution with online application processing and automatic validation of participants to save significant time and administrative costs.

PROGRAM DESIGN SOLUTIONS CHECKLIST, CONTD

FEATURE	DESCRIPTION
<input type="checkbox"/> Incentive Types	Incentives may be as simple as ensuring payment of single amount per specific item replaced (similar to rebates), or as complicated as a percentage of costs based on overall building savings. Whatever the program requirement, ensure the solution allows for definition flexibility and enables the requirements to be clearly communicated, easily calculated, and automatically enforced at all levels of participation.
<input type="checkbox"/> Measure Management	For some programs, participants are fully or partially supplemented for performing specific tasks rather than supplied incentives for savings. This may include health and safety tasks (installation of smoke alarms) as well as energy savings behaviors. Measure management should be flexible and able to be associated with different funding sources.
<input type="checkbox"/> Approval Process Enforcement	Program success requires adherence to an approval definition and process. Whether your program requires a simple two-step validation, a 10-step inspection, or a randomized monitor-inspection review, select a software solution that tracks each step of the application process.
<input type="checkbox"/> Savings Goals	Well-run programs define savings across the overall program, savings per fuel consumption type, and often the extended overall dollar savings for the end consumers. Choose a software solution that enables granular settings of each measurement and reports on the savings that are meaningful for your organization’s implementation.

Manage multiple sources of funding. Programs with more than one funding source require the ability to define the funding sources, the goals of those funding sources, and the ability to tie the funding sources to specific qualifications, incentives, measures, direct or indirect costs. Choosing a program management solution should allow defining and reporting for multiple funding sources.

Set the total cost allowances for the program. Program design must be flexible to allow for the administration of the costs of the program. Ask yourself: “What is the total outlay for the administration of the program? What are the incentive payments available? How will these be measured?” A program must allow for the definition of both direct and indirect costs, including the cost of implementing any changes or measures required to achieve the savings.

Define the approval process. Programs requirements often require multiple inspections and approvals throughout the application and payment process. While some programs vary their process based on risk factors, including overall project cost and participant history, others require random applicant sampling for spot-inspection. Selection of the program management system should include a workflow definition and enforcement of the approval process.

Understand and set savings goals. At the center of the energy efficiency programs are energy and cost savings. An ideal program management solution allows setting the goals for the overall program, as well as for individual measures or energy types. Without the ability to set measurable goals, validation for program success will not be possible. Be sure to choose a program that provides a detailed definition of the energy savings as well as cost savings in addition to clear and simple communication of the requirements for validation of the program.

Easily push the program to and from the field. Rarely is a program defined and incentive implementation performed by the same individual. Solutions must supply the field technicians with clear program parameters, ensure appropriate collection of this data, and provide immediate communication of any changes. Field collection is further discussed in the next section, but keep in mind that solutions with a mobile app makes coordination and success that much higher.

While there are many additional complexities to running any successful program, these areas provide a good start to ensuring that your organization selects a solid, flexible software application that enables your program to thrive and grow.

STAGE 2: PROGRAM IMPLEMENTATION

Now that you have designed the ideal program for your organization, it is time to implement it and start processing incentives. When choosing a solution, consider the following suggestions:

Program implementations must encompass all program participants. Finding a single solution to meet your full range of requires solid researching, but solutions do exist and are successful. Select an easy-to-maintain solution flexible enough to be used by those managing the day-to-day program activities, companies and individuals participating in the program including applicants, vendors supplying auditing and implementation services, inspectors, and funding source owners.

Implementing effective programs requires a chain of execution that is unbroken. In many programs, each participant uses a disconnected solution for recording and submitting required information, resulting in significant administrative overhead for program management. A strong program uses a single solution, ensuring a smooth and streamlined process that saves everyone time and money. A good solution automatically checks participation standards and verifies that measures and incentives are within the program guidelines.

Avoid a separate data collection tool and tracking system since it results in data loss and extra work. While tracking systems are an effective means of looking at the program budget, if they are not integrated with the audit information and application information, you will not be able to project and mine the past data with accuracy. Tracking systems do not provide the level of data you need to review past programs and dig deep into the activities.

Data should be instantly available and reporting extensive. Program managers must be proactively aware of the total utilized funds and remaining budgets and be able to communicate this information to all interested parties along with the required

PROGRAM IMPLEMENTATION SOLUTIONS CHECKLIST

FEATURE	DESCRIPTION
<input type="checkbox"/> Support for All Users	Make sure your program includes all your users, including applicant, auditor, vendor, inspector, and program manager. With a single software solution, the entire program process needs to be supported to ensure a single chain-of-ownership. By collecting, reviewing and reporting from a single system, you can provide efficient processing, payment, and reporting on all activities without the overhead and errors of double-data entry.
<input type="checkbox"/> Allow Program Updates	Choose a solution that enables changes in the middle of a program without losing historical data. Be able to roll-out mid-program changes without losing original data.
<input type="checkbox"/> Secure Online Applications	Gathering data on paper, spreadsheets, or in pdf applications is not efficient. A secure online process enables efficient administration and storage of the application data.
<input type="checkbox"/> Automated Application Verification	Programs with applicant requirements such as demographic data, geographic location, or minimum paperwork for proof of eligibility should be automatically, electronically checked. This eliminates costly administrative overhead and back-and-forth communication between the applications and reviewers.
<input type="checkbox"/> Electronically Enforced Timeframes	Setting application, incentive, and program-level start and end dates enables compliance with program rules.
<input type="checkbox"/> Application Status	At any point, all parties with interest and permission to view an application should be able to tell where in the process an application sits and the next steps needed.

PROGRAM IMPLEMENTATION SOLUTIONS CHECKLIST, CONTD

FEATURE	DESCRIPTION
<input type="checkbox"/> Measures, Incentives and Efficiency Validation	A list of all available program measures should be easily accessible to applicants, auditors, and inspectors. A selected solution should ensure that the measure implemented meets the program requirements and any savings calculations are instantly available and shown to the users.
<input type="checkbox"/> Integrated Field Data Collection Via Mobile Device	Auditors and vendors should be able to use an integrated data collection solution on a mobile device or tablet while in the field. Programs that need engineering level-audits should have the ability to collect full audit data. Programs requiring only a Level I audit should have required fields noted. Ideally, your solution will have a list of common items available for selection. By having an integrated data collection capability that is linked to the cloud and automates synchronization, audit data will not have to be re-entered when applying for incentives or measure funding.
<input type="checkbox"/> Manage Installation	Manage contractors for installation and rework. Create work orders, track installation dates, and store savings & cost data.
<input type="checkbox"/> Perform Inspections	Strong programs allow you to perform quality control inspections on mobile devices.
<input type="checkbox"/> Invoice Support	Invoicing and Payment of program incentives.
<input type="checkbox"/> Automated Communication	Email and text-based communication capabilities with participants. Proactive notification increases efficiency and notifies the participants throughout the process.
<input type="checkbox"/> Track & Report Energy Savings	Choose a program that allows for reporting flexibility to meet program needs.

details. Reporting on the energy savings is not the only data that will be required. Ensure that any solution chosen can create a detailed understanding of the utilization of funds across multiple sources, within incentives and measures. As programs near completion, it becomes especially important to have an automated method of preventing oversubscription of funds for fixed funding sources.

STAGE 3: PROGRAM EVALUATION

Program evaluation measures a program’s success. Program evaluation software solutions should simplify the validation process and make the next program even more successful. The goal is to validate both the integrity of the data collected and the efficiency of the services provided. This ensures that future decisions are made with certified data sets. Consider the following:

Outside vendors validate programs. If the program is supported by public funds or by an outside party, often the program must be validated by a third-party vendor. When looking for a program solution, overhead is dramatically reduced if the solution provides a restricted-rights login which enables the outside vendors access to the entire set of program and application data, as well as measure and audit details. Be sure to look for an integrated solution that enables an Evaluation role allowing easy access to data without requiring hours of administrative data collation.

Audit trails are key. With a software solution that provides a single chain of data management from program definition to implementation, program evaluation can be performed with confidence. With a full audit trail, changes to a can be traced back to the time and point of origin.

Learnings passed forward. While ensuring the validity of data is vital, building on success is even better. A strong software solution ensures that a successful program measures and incentives should be easily moved forward to new programs.

PROGRAM EVALUATION SOLUTIONS CHECKLIST

FEATURE	DESCRIPTION
<input type="checkbox"/> Evaluator Role	Support for evaluation vendors with limited access for sensitive data, and extensive read and reporting capabilities.
<input type="checkbox"/> Single Chain of Data	A single solution for program definition, data collection, implementation, and validation ensures all data required for true measurement of success is available. A single solution ensures that the integrity of the program never comes into question.
<input type="checkbox"/> Comparison to Prior Programs	Strong solutions will enable the program managers and evaluation teams to use data from prior programs to compare metrics.
<input type="checkbox"/> Audit Trail	Maintaining a history of all job changes, program changes, and rights changes will ensure the validity of all program data.
<input type="checkbox"/> Extensive Reporting	Each program has special requirements for reporting on the activity and savings within a program. Solutions with flexible reporting implementations will save significant analysis time by supplying configurable, repeatable reports supplying the data your evaluation requires without countless hours of manipulating spreadsheets.

CONCLUSION

Successful programs use a single fully integrated software solution designed from beginning to end to ensure a smooth and streamlined process that saves both time and money. An ideal solution includes all of the tools needed for success throughout the program management chain --- from program design to data collection, application, approval, and evaluation.

Hancock Software has been supplying complete end-to-end energy program solutions for more than 10 years. Hancock Software can digitally transform your energy efficiency program and help define, manage and automate your programs and projects to meet your exact needs. Hancock is the only vendor to supply a full-program solution with a user-friendly mobile application that works offline and automatically synchronizes audit data to the Hancock Cloud. As a result, you can double the energy savings and triple the participation across your programs without increasing resources. For more information on how Hancock Software can meet all of your program management requirements, contact us now.

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