



## **Memorandum**

**To: Energy Conservation Board**  
**From: Michael Stoddard**  
**Subj: Administrative Models - Summary**  
**Date: 19 December 2008**

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There are also at least 3 basic models for administration of energy efficiency programs:

1. Utility administration
2. Government administration
3. Independent third party administration

At the request of Chairman Lee, in preparation for today's discussion about options for restructuring Maine's energy efficiency administration, this memo summarizes the basic administrative models that have brought up in earlier meetings: Oregon, Vermont, Nova Scotia, and Maine. (Note that I only had time to provide information for the electric programs in these states.) The first three are "independent third party" models, while I would characterize Maine's current model as a blend of the "government" model (at Efficiency Maine) plus the independent third party model (at RGGI).

There are 3 basic functions for energy efficiency program each of which may be performed by one or more bodies:

- Program administration (planning, budget allocation, integration/coordination, RFPs/contracting, management)
- Governance/oversight
- Program implementation (or "delivery")

### Oregon

- Governance/oversight
  - Independent Board of Directors of non-profit
  - Reports back regularly to PUC, but PUC cannot approve or change plans
  - PUC (or Trust) can cancel MOU arrangement
- Administration
  - Non-profit corporation – the "Energy Trust"
  - Operating under 5 year MOU with PUC
  - Small staff of planners, evaluators, managers, outreach
- Implementation
  - Contractors winning competitive solicitations
  - Utility partners
  - Some smaller programs implemented using "in house" staff at Trust



### Vermont

- Governance/oversight
  - PUC
- Administration
  - “Efficiency Vermont” is an independent, third party model acting as, and starting to be regulated as, a utility
  - The vendor/contractor selected to run Efficiency Vermont was chosen through competitive solicitation (note – the winner had already been operating in Vermont for many years)
  - Large staff of planners, evaluators, managers, outreach
- Implementation
  - Significant program delivery done “in-house” by Efficiency Vermont staff
  - Some partnering with utilities

### Nova Scotia

- To Be Discussed – Jean has put the short description in our materials for today’s meeting. I am not familiar enough with the details of their final decision to describe the oversight and implementation approach here.
- Administration – the electric programs will be administered by an independent third party entity.

### Maine

- Governance/oversight
  - PUC for electric and natural gas programs
  - RGGI Trustees for RGGI funds
  - Input, advice, counsel from the Energy Conservation Board
- Administration
  - “Efficiency Maine” is a department at the PUC, in the “state administration” model
  - Very small staff of planners, managers, outreach
- Implementation
  - Program delivery (for electric) done through trade allies and small team of contractors
  - Program delivery (for gas) done by gas utility
  - Program delivery for RGGI Trust – TBD