

Attachment 4

Laclede Energy Efficiency Programs Development Process

The Laclede Energy Efficiency Collaborative's (EEC's) involvement with Laclede's Customer Programs development process will include the following areas/activities:

- 1) **Energy Efficiency Programs Objectives Development.** The EEC shall use its best efforts to identify and Laclede shall use its best efforts to implement cost-effective programs that are consistent with the objective of providing the public with energy services that are safe, reliable and efficient, at just and reasonable rates, in a manner that serves the public interest.
- 2) **Consultant Selection.** The EEC will select a consultant(s) to assist in the design, pre-implementation evaluation, and post-implementation evaluation of energy efficiency programs.
- 3) **Supply-Side Resource Cost Review for Use in Avoided Costs Calculations.** Laclede will conduct a review of its projected future cost structure within three months of the effective date of a Final Report and Order in this case and will, subject to appropriate confidentiality protections, provide this information to the EEC. Laclede, with possible assistance of a consultant, will use information from this review to calculate avoided costs for the pre-implementation cost-effectiveness screening of customer programs.
- 4) **Design, Screening, and Pre-implementation Evaluation of Potential Customer Programs.** This process will be consistent with standard industry practices for natural gas energy efficiency programs. This step will include: (a) the consideration of customer programs that have been shown to be successful and cost-effective by other utilities and (b) cost-effectiveness screening of energy efficiency programs.
- 5) **Customer Program Portfolio Choice.** The EEC will choose a portfolio of customer programs to be implemented and an implementation plan will be developed. The implementation plan will include a plan for post-implementation process and impact evaluations, where feasible, for each program in the chosen portfolio of Customer Programs. The EEC will seek to develop a full portfolio of energy efficiency programs that are cost-effective to the ratepayers, but may decide

to move forward with individual programs as they are developed and tariffs are approved by the Commission.

- 6) **Post-implementation Evaluation of Customer Programs.** A detailed post-implementation evaluation of the initial two (2) years of each program shall be completed within six (6) months of the end of each program's second year. Where feasible, these reviews will include both process evaluations and cost effectiveness (impact) evaluations. Evaluations may be performed after less than two years of program implementation if the EEC determines this is preferable. Post-implementation evaluations will then be used in the selection and design of future programs.

To the extent possible, Laclede will coordinate with AmerenUE and other existing entities/organizations to enhance the development, implementation or cost effectiveness of energy efficiency programs.