

MDNR Questions for KEMA Draft Missouri Demand Side Potential Study
January 21, 2011

- 1) Do the definitions of the “one-year payback” and “three-year payback” scenarios used by KEMA differ from the definitions used by Ameren?
 - a. If so, please describe the differences, as KEMA understands them.
 - b. If the goal of estimating the “one-year payback” and “three-year payback” scenarios was to provide comparability with the Ameren study, and if the underlying assumptions differ:
 1. Are KEMA's scenarios and Ameren's results fully comparable?
 2. If they are not fully comparable, what refinements would have been required to develop scenarios that more fully comparable?
 3. If they are not fully comparable, what disclaimers should be included in KEMA's report?
 - c. Please describe the methodology used by KEMA to adjust measure incentive levels to create the “one-year payback” and “three-year payback” scenarios.
 - i. Please provide a table of measures showing the incremental cost relative to the baseline measure along with the incentive level set for the “one-year payback”, “three-year payback” and “KEMA 75% Achievable Potential” scenarios.
- 2) Please provide a table comparing the results of the KEMA Missouri Demand Side Potential Study to other equivalent state-wide potential studies and to studies that have estimated achievable potential in other jurisdictions using a methodological approach similar to KEMA's "75% of incremental cost" approach. . Please include complete references for the comparable studies.
- 3) Please describe how codes and standards are incorporated in the KEMA ASSYST model. With respect to federal equipment standards please discuss how KEMA treats
 - a. standards that are in DOE regulations that are due to go into effect in the future, and
 - b. standards which DOE is required by legislation to establish but that DOE has not yet established in specific regulations.
- 4) In his comments, Fred Coito of KEMA mentioned that KEMA agreed with Ameren’s assumption that Missouri residents are less interested in energy efficiency than residents in other states.
 - a. Please explain how KEMA came to this conclusion.
 - b. Did this assumption impact the results of the study?
 - i. If so, how was this assumption operationalized? Please identify any variable(s) or factor(s) in the model that reflect this assumption.
 - ii. In the absence of the AmerenUE study, what assumptions about customer participation (or similar factors) would KEMA have used in their modeling?

- iii. Please provide a sensitivity analysis on the variable identified in 4).b.i, showing how study results would vary with changes in the assumptions about customer participation (or similar factors). Please compare Ameren's value to the values KEMA has used in other studies for other jurisdictions as the lower and upper values of these factors in any sensitivity analysis.
- iv. Please estimate the impact on the reported participation and savings level such an assumption has on the study results.