

## **Programs Streamline Process, Add Customers More Quickly After Implementing Evaluation Recommendations**

- Hydro-Québec's Empower Programs offer financial incentives to businesses for energy efficiency projects.
- A 2006 evaluation recommended ways to streamline the application process among other concerns.
- Program managers developed a plan of action to implement evaluators' recommendations.
- Programs achieved a quicker and simpler application process, leading to higher customer satisfaction.
- Less staff time is now devoted to processing customer applications, saving time and money.

A 2006 evaluation helped Hydro-Québec's Empower Programs increase customer satisfaction and use staff time more efficiently by streamlining the programs' application process. The programs achieved this by establishing a plan of action to implement the evaluation's recommendations. As a result, the programs are able to add customers at a faster rate and are on track to meet their energy efficiency goals set for 2010.

The Empower Programs offer financial assistance to businesses that implement energy efficiency projects. The programs began in 2004 and were intended to last three years. However, Hydro-Québec decided to renew the programs after they achieved their energy-saving goals of 197 GWh, roughly the energy needed to continuously power 75,000 100-watt light bulbs for three years. The utility set higher efficiency goals for 2010 and wanted a thorough review of the programs to help them achieve those goals.

### *Program evaluation recommends ways to streamline the application process*

An evaluation conducted in 2006 looked at many aspects of the Empower Programs, including the programs' net impact on energy savings, marketing strategies and administrative processes. A key finding was that business customers found the application process too slow and complicated. Evaluators identified administrative hurdles that contributed to the delay and, among other recommendations, advised Hydro-Québec to reduce the number of documents required to determine financial support as well as offer training to program partners to increase customer satisfaction.

### *Program managers plan and implement actions based on recommendations*

Following the evaluation reports, the Empower Programs' management established a plan of action to restructure the programs in line with evaluators' suggestions. This resulted in the formation of a task force known as the Project Committee, which consisted of representatives from different administrative departments: program design, development, marketing, and other program management.

The Project Committee issued ten mandates corresponding to evaluators' recommendations regarding the programs' application process, marketing strategy, and how it calculated energy savings, among others. As a result, program staff introduced new steps to improve workflow and eliminate administrative delays. For instance, the number of documents required to submit an application were cut in half, while a randomized sampling process replaced the need to verify every application.

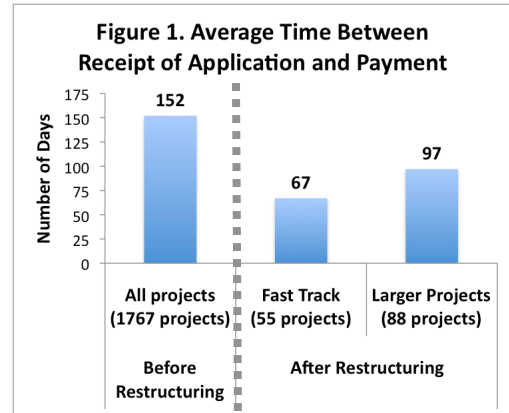
In addition, a new "fast track" procedure allowed small and standard projects to receive immediate payment of financial incentives through an automated process. Meanwhile, a "green light" procedure allowed customers to

confirm financial support sooner than before.

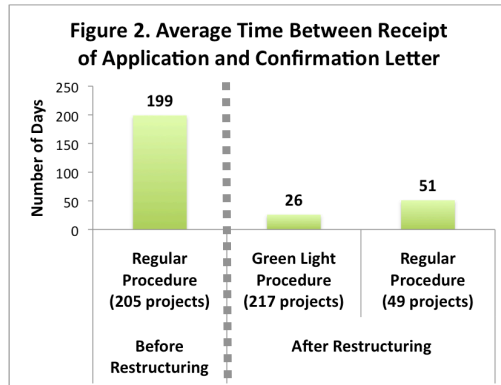
### *Improvements help programs add customers and pay out incentives more quickly*

After restructuring was completed in mid-2008, the Empower Programs achieved a considerable increase in efficiency. Changes to the application made it easier for potential customers to participate, while program staff were able to process applications more quickly now that the amount of data and review process had been streamlined. As a result, the amount of staff time devoted to processing applications decreased, freeing up staff to work on other important tasks.

A 2009 follow-up evaluation supports these observations. Evaluators found that prior to restructuring, it took an average of 152 days between when program staff received an application and when they paid the financial incentive. Following the restructuring, the average time dropped to 97 days for regular projects and 67 days for projects using the “fast track” procedure (Figure 1).



Similarly, the “green light” procedure and other reforms dramatically reduced the time customers had to wait for confirmation of financial support. Before restructuring, it took an average of 199 days between receipt of application and the sending of a confirmation letter. After restructuring, the average time shrank to 26 days for projects using the “green light” procedure and 51 days for all other projects (Figure 2).



These faster processing times mean that the programs can add more customers at a quicker rate, resulting in more energy savings. At the current pace, the programs are projected to meet their 2010 energy efficiency targets.

### *Customer satisfaction rises*

The improvements to the programs also appear to have increased customer satisfaction. In a survey of all partners who had submitted a project during 2008, the rate of satisfaction was 7.2 out of 10, compared to 6.5 in 2007. Program managers expect an even higher satisfaction rate in 2009 because the program improvements were not fully in place until June 2008.

This case study demonstrates how evaluation can help programs save valuable staff time by streamlining processes. The evaluation identified sources of delay and recommended changes to the programs. Management took those recommendations and implemented an action plan that dramatically improved the efficiency of the application and financial processes, keeping the programs on track to meet their energy saving goals.

Sources: *What Have We Done with Evaluation Report Recommendations?* Paper presented by Andrée Lemarier, Hydro-Québec, August 2009 at the International Energy Program Evaluation Conference, Portland, OR.

*Program Evaluation AIOEB (2006-2007-2008)*. Hydro-Québec Distribution. Preliminary Report - Main Document, September 2009.



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