Evaluation/Research Area: Impacts

Program and Policy Approaches: Commercial

Focus: Methods

Financing or Incentives: Disentangling Attribution

Financing programs are getting more and more attention as program administrators are trying to find new ways to attract hard-to-reach and underserved populations and to reduce first-cost barriers to the installation of energy efficient equipment. In some cases, financing is offered as an alternative to incentives; in other cases, both are offered for the same project – sometimes through the same program and sometimes through two different programs. When incentives and financing are both offered for the same installation, but through two different programs, the question of attribution can become very tricky: What really motivated the participant, the incentive or the financing or both? And which program can claim the resulting savings?

This paper will present results from a recent impact evaluation of a statewide non-residential financing program that offers on-bill finance loans at zero percent interest. Participants in the program also participate in the utilities' incentive programs. The primary objective of the evaluation was to quantify the amount of incremental energy saved as a result of participation in the on-bill finance program. The key research approach was a survey of over 130 participants, fielded in the summer/fall of 2016. The participant survey included a freeridership battery that was built upon the freeridership battery used for the incentive programs, but was designed to tease apart the influence of the incentive and the influence of the financing on the participants' decision-making. The author will present methodological considerations and results (expected to be finalized by early 2017) for two types of analysis: (1) developing freeridership values for the financing and incentive programs, and (2) developing indicators of relative importance of the financing and the incentive.