



## **Energy Efficiency Post-2011 Phase 2**

### **Workgroup 5 Meeting 4**

**Thursday, September 02, 2010**

**9:00am to 12:00pm**

**Conference Call Only**

#### **Overview**

- Dave Kresta provided us with his perspective on how NEEA's Partner Services group will work. He pointed to three initiatives they have underway: an online community (Conduit), regional events and trainings, and facilitate regional coordination.
- After discussing how to treat NEEA contributions, the group decided that it would be appropriate to allow unspent EEI funds to go to NEEA direct acquisition programs in a utility's service area.
- The group decided that Low Income Weatherization contributions should be handled the same way as NEEA contributions – incremental direct-acquisition would be allowed with the same flexibility for spending that BPA has for cost-effectiveness.
- Lauren Gage shared BPA's perspective on cost-effectiveness and custom programs. She mentioned ways that BPA is trying to bring more flexibility to the issue of cost-effective calculations and gave a presentation on how similar custom projects could be bundled into a custom program as one option we could use.
- The issue of how to deal with federal facilities was raised. A number of federal agencies operate much like chains and franchises (one headquarters vs. a number of widely dispersed individual sites) and seem to lend themselves to some kind of regional approach. After a brief discussion, a Federal-specific sub-group was suggested and a couple utilities volunteered to participate.

#### **Decision/Action Items**

- NEEA contributions would be allowed for utility EEI funds to go towards incremental direct acquisition programs or projects within their service area.
- Low Income Weatherization contributions would be allowed for utility EEI funds to go towards incremental direct acquisition programs or projects in their service area.
- A Federal facility subgroup will be formed. Anyone interested in participating should contact Curt Nichols at [cwnichols@bpa.gov](mailto:cwnichols@bpa.gov).
- Matt will send out an issue-by-issue summary of the Workgroup resolutions. That will help guide the future discussions of creating specific recommendations for each issue (starting with the next Workgroup meeting, Sept 16<sup>th</sup>).

## **Meeting Notes**<sup>1</sup>

### *Facilitators:*

Wade Carey, Central Lincoln PUD  
Curt Nichols, BPA

### *BPA Participants:*

Josh Warner  
Brent Barclay  
Matt Tidwell

### *Guest Participants:*

Dave Kresta, NEEA  
Lauren Gage, BPA

(N.B. Lauren Gage's presentation on "Custom Programs" can be found at the end of the meeting notes section.)

1. WC: recap of previous meeting: discussed cost-effectiveness and bundling of measures; custom programs; six month negative change notice and implementation manual annual update instead of six months; how utilities could work with infrastructure development and communication channels (roundtables); started on NEEA contributions.
2. Dave Kresta: been at NEEA for a little over six months; in charge of supporting utilities and other EE organizations in achieving their goals; very much an infrastructure role. Several initiatives going on that apply to regional infrastructure. A few that will extend beyond 2011: online community, developing along with BPA. Called Conduit, not released yet. Website will allow utilities to more effectively collaborate and be able to share documents and best practices. Be able to share online discussions, where documents can be collaborated on. Expecting beta release later this year. Northwest Research Group will likely be early user. Hope not to replace any interaction taking place but to supplement those efforts. General release will be early next year. Will extend into post-2011
3. DK: the second component is along the lines of events, training, conferences, webinars. After a request, we are facilitating a regional EE conference in December. Coordinating with BPA. Usually there's a utility summit in the spring. We're envisioning a broader scope, including IOUs and some topics broader in scope than BPA's programs and initiatives. Also exploring other types of workshops and training events; driven by the region. Part of our planning for next year is a needs assessment; where are the gaps? Will be driven by stakeholders' needs.
4. DK: third component is more nebulous. We've been asked by the region to play a bigger role in facilitating regional coordination. Not necessarily programs in

---

<sup>1</sup> Due to privacy concerns, only BPA staff and workgroup co-chairs are listed in these meeting notes.

- NEEA's portfolio. E.g. we're facilitating NW research group. Also the Marketing and Coordinating Council. Going to query the region to see what types of regional groups need some help to facilitate and get and keep them rolling.
5. DK: all our initiatives are under the auspices of the region with heavy regional involvement.
  6. CN: on the last point of regional coordination. What's the process for someone who would like to communicate with NEEA to see if you can provide support.
  7. DK: right now, there's isn't a process. I'm a good point of contact, but it's still pretty nebulous. We need to figure out what the best role for NEEA is. We have a Board, so at some point I would expect it would be involved at some point to help decide how many coordinating roles we take on.
  8. JW: we want to talk about the NEEA contributions component from BPA funding. Now customers can provide funding to NEEA via the CRC; a handful of customers have done this. Not sure if the direct funders of NEEA use their CRC or do it on their own. This is currently in the Implementation Manual. Today you can't use ECA or bilateral dollars for NEEA. We'd like to get some clarity, with moving forward and having only the EEI, how contributions to NEEA will be handled. One of the real issues is if utilities make individual NEEA contributions the question is "are they getting incremental savings" and report back savings to the customer? With one funding mechanism, it's unclear how we should proceed. Important to know from folks what flexibility or not there should be on this.
  9. Person A: What's the problem?
  10. JW: if somebody just makes a large contribution to NEEA, can NEEA spend the funds to get incremental savings. NEEA has fairly steady funding and if they get additional funds, it's unclear that they could be spent in a way to get incremental savings, but this is exactly what the dollars from EEI are supposed to do.
  11. Person A: so is it the fact that it is unexpected or just additional?
  12. JW: it could be both.
  13. Person A: ?
  14. Person C: in our case, additional NEEA funds from us covers our share of the non-BPA load since membership is spread across the region based on load. So you're only talking about the amount in addition to BPA's load share?
  15. JW: yes, and also in what way should EEI dollars be used for NEEA contributions. There could be a distinction between a regular funder and those that would be more sporadic funders. But maybe we wouldn't want to make that distinction.
  16. Person A: I'd like to see it under consideration.
  17. Person B: I know NEEA provides incremental savings on projects that come up unexpectedly. Thinking of some programs that we've provided funding for, e.g., consumer electronics, ductless heat pumps.
  18. JW: so things outside of their business plan?
  19. Person B: yes, things that come up outside of the business plan.
  20. Person C: good point, but they are tied to direct acquisition. Seems like a good opportunity for EEI funds.

21. CN: sounds like a consensus on being able to put their EEI funds toward NEEA for direct acquisition. So there are some current limits, but do we want to change this in post-2011.
22. Person C: what are the limitations?
23. JW: in the IM, contributions can be made using CRC, but anything over 200k needs approval by NEEA. Intent was not necessarily to address whether SnoPod wanted to use it to pay their dues, it was different.
24. CN: the post-2011 landscape looks like “extra” EEI funds going to a “common pool” compared to going to NEEA.
25. Person C: can we try to set up rules on which way is a greater benefit over the other. It seems if we are supporting region-wide programs and if the utility could get some benefit through NEEA funding, the guidance would be to attract savings in their service territory (via NEEA) as opposed to getting savings in another territory.
26. JW: that’s correct, don’t want to set up cost-effectiveness criteria. We’re really talking about large contributions and today it comes out of CRC which nobody else could access anyway, but in post-2011 the customer could “just spend the funding” by giving it NEEA whereas the region might benefit more if the funds went to a common pool.
27. Person C: is there a recommendation on the table? Seems like we’re leaning toward not allowing EEI dollars to NEEA above their non-BPA share and funding can only go toward direct acquisition.
28. Person A: I like the idea.
29. CN: I want to make sure everybody is clear on the plus and minus of this. If we have a blanket proposal that’s fine, but any ideas for structuring this to get a balance between fairness and flexibility.
30. Person C: I would say that you can’t just give contributions if it’s not for direct acquisition.
31. Person B: you have to be able to identify savings with the contributions.
32. Person C: but it’s difficult to identify where the savings land and we need to work with NEEA on this further.
33. JW: we can put basically what you’ve proposed into a recommendation and then bring it to the group for comment.
34. CN: this would imply not allowing it for general regional infrastructure funds. E.g., if you said you’d like to beef up Conduit, you would not be able to put funding toward this. Want to make sure people are in line with this.
35. Person A: I want to clarify: I think this is right, but if one is contributing for membership.
36. Person B: I would agree.
37. JW: do you guys use CRC funds for NEEA contributions?
38. Yes from EWEB, Cowlitz, and Tacoma.
39. CN: next issue of low-income related programs. Same kind of issue where people can donate extra CRC funds to do low-income weatherization; do we want to keep something similar? Do we want to keep it to incremental savings like we’ve done with NEEA.

40. Person C: sorry to back track, it seems like that we may need to revisit the proposal on NEEA to consider NEEA's regular funders.
41. JW: yes, we'll make this a caveat. From a BPA budget standpoint, we didn't budget it this way.
42. Person C: what do you mean by "not budget it that way"?
43. JW: we took out NEEA contributions and we also assume that savings are going to come in from the utility direct funders and this is a different budget from the EEI funds and if we start to use EEI funds then we aren't getting the savings we had budgeted for the EEI funds.
44. Person D: even though we are using CRC now for NEEA, I don't see this as a problem if we don't in the future with our EEI funds. We aren't going to have enough EEI anyway, so it doesn't really impact us.
45. JW: maybe we should have this conversation with each individual utility that is concerned by this because there aren't very many.
46. CN: back to low-income issue.
47. JW: I am similar to Curt's situation, not deeply into this issue. I think, today, there are two ways that customers can run this: CRC and bilateral (ECA) or you can fund an organization that does low-income using CRC funds. So you can run your own program or you can make a contribution to an organization. This is similar issue, but a bit different. The complication going forward is that there will only be one bucket of funds. Looking for a recommendation from the group on how this should be treated.
48. Person C: historically, which bucket gets the most?
49. JW: don't really know.
50. Person B: we run our own low-income program.
51. JW: do you make a contribution to a CAP?
52. Person B: we do it all in-house (so does EWEB, Tacoma)
53. Person E: I work for the CAPs and many utilities on the phone fund the CAPs.
54. JW: BPA also funds the different state organizations working on low-income (4.5 million).
55. Person C: will this continue in post-2011?
56. JW: my understanding is yes.
57. Person E: the funds we receive from the utilities (can only speak for Oregon) are critical to our work.
58. Person F: we do that at PASCO as well.
59. CN: how could we couch this in a recommendation? Should the funds need to go to savings in one's territory?
60. Person C: another complicating factor is that cost-effectiveness is handled differently for low-income.
61. Person B: with low-income you're handling with a number of entities, whereas with NEEA, it's only one.
62. Person C: for example, does BPA have some c/e criteria for the 4.5 million?
63. JW: not that familiar; my understanding is that the dollars don't have the same c/e criteria. The IM says you can't co-mingle the dollars. We reimburse on a dollar for dollar basis and this is slightly different than how we look at other things.

64. Person C: from a utility perspective, we should have the same discretion with our individual funding for low-income initiatives.
65. JW: you've hit it on the head, but we have to be careful to avoid getting a disproportionate amount of savings from "more expensive" measures.
66. Person C: the utilities should have the same discretion. The utility needs to be operating on the same c/e criteria.
67. Person B: should have the overall utility portfolio that is c/e, incremental savings.
68. CN: sounds like there should be the same opportunity for utilities to support low income along the same.
69. Lauren Gage: we've been doing a lot of thinking of c/e. going to talk about how we combine things, how we don't combine things, etc. In general, we have looked at c/e aligned closely with the Council and the RTF. We've tried to get bundling on a category level. It's difficult to assess c/e holes. All heat pumps, i.e. in some weather zones they aren't c/e, but we don't have holes in the offering say those certain heat pumps aren't eligible for reimbursement. We're comfortable with this. We've also looked at c/e on custom programs, which require 1.0 c/e. A major factor in calculating TRC is the non-energy benefit. A few years ago we made the decision to make 0.5 for any level and have 1.0 for the entire portfolio of 1.0 for custom programs.
70. LG: we aren't looking at c/e on other levels right now. The levelized avoided cost has almost fully doubled. What used to be a TRC of .5 has become 1.0, and this has changed the planning game. Lots more measures that are more c/e. A more difficult issue now is calculating the savings for measures. BPA-qualified is one strategy for flexibility, i.e. having measures tested on a small-scale. Also working on a new BPA-qualified policy around ex-post evaluation. I'm interested in knowing where the issues are around c/e with the doubling of the TRC. And are there ways to address these issues rather than changing the c/e policies we have in place. Is there really a problem here to address? One of the solutions may be the custom program path that I will address next.
71. Person C: I agree that this is more about savings at this point, but this is lifetime savings and as we move portfolio away from lighting measures getting good data over the life of the measure is going to be more and more critical. The reimbursement amount needs to factor this in more and more.
72. LG: I like to hear somebody say that you're interested in more studies on persistence and evaluation.
73. Person C: also an issue of reimbursement.
74. LG: often we have uncertainty.
75. Person C: we do have on the ground data from engineers in the field.
76. Person A: in your BPA-qualified program, do you also verify the c/e?
77. LG: yes. Anytime we work on these, we are evaluating c/e. One of the goals is to bring measures back to the RTF and to say what the c/e is.
78. Person A: so based on how much utilities are spending?
79. LG: it's pretty difficult to come up with "true" program cost, considering assumption of 20% admin.

80. Person C: also in the program cost area, we might want to do refinement to the 20% depending on the program and measure. Clearly the CFL distribution has different admin that commercial/industrial measures.
81. LG: if we were to come to utilities and ask all-in cost, is this something you could allocate?
82. Person C: where does the BPA admin cost get included or separated from the utility admin cost.
83. Person F: for my residential, my admin was a lot higher, so this 20% does need to be looked at.
84. LG: does this really matter with the higher leveled cost? If c/e is not really an issue anymore, then this is less of a concern.
85. Person C: for those of us with our own IRPs, there are different ways to determine c/e, but I agree that we want to keep this simple and may not be a real concern.
86. JW: I like how LG framed this and agree that we shouldn't complicate this if it isn't really going to give us any value. There are few things that are now on the margin, so there are few things we could do to make them c/e. May not necessarily be a necessary endeavor.
87. Person F: I do think that sometimes there are measures that we do in residential that have a lot of admin burden that aren't calculated on a measure basis and maybe it's not the most important thing to do and if we evaluated the real cost then maybe it wouldn't be worth it. Not sure how this changes with the new TRC. Be aware that there are measures out there that may be more expensive.
88. Person A: not an issue of whether measures will make it under the hurdle, but rather if we're spending more on less efficient measures, i.e. efficient delivery.
89. LG: there's a burden related to the custom projects. There are a lot of hoops to go through and I hear Curt saying we should tried to move these out and try to get more things deemed. We are trying to get more things into the deemed and deemed calculated categories. On the M&V side, we are trying to update our protocols. There is a lot of work going on in these areas. Curt said let's move to more deemed c/e and I want to point out that we can be pretty sure about c/e, but we can't be sure sometimes on "savings." So on the power side, we have to have a robust savings estimate. If c/e were our only decision, we could go, but that's not enough. We need good estimate of savings. Custom program options are an attempt to try to make this more flexible for utilities.
90. Person C: seems that this goes back to data and how we're collecting data across the region. Some of this stuff is that it's hard to deem. So when you suggest that we need a good way to determine deemed, this may still not give us a good idea of savings.
91. LG: a lot of things that aren't deemable, but there are calculated deemed.
92. Person C: what BPA has required in the past is the pre- and post-metering and at least this gives us some indicator that were on the right path with the deemed calculators.
93. LG: we've heard often that "we'd like to propose our own custom program." We wanted to create a path where utilities could propose programs. It would be a win-win situation. (slide two).

94. LG: slide 3. Two types of custom programs: 1) pre-approved M&V; and 2) Evaluated.
95. Person G: we don't have a lot of the same Slinky factories, but we have the same type of projects, e.g. compressed air projects. Is this concept transferable? To the same "system type" in the same type of facility.
96. LG: yes, as long as the pre-approve M&V fits for that site.
97. Person D: we have the non-standard...
98. LG: the basic eligibility is that measures are not deemed already and aren't covered by non-standards. If you're a utility with a NSA, for behavioral programs, the utility might be able to do this custom program.
99. LG: slide 5.
100. LG: slide 6.
101. Person C: it's not clear overall what BPA's role is. Specifically, is BPA doing this so it can create programs for the region and it's using a utility for a test-bed? And if so, how are the cost for these types of programs to be handled.
102. LG: this is for customers who say they have a repeatable project. This is a way for us to test that and get some learning and be able to roll it out to the region. We need a venue to get the information to BPA and then to be able spread it to the region. It's the utility's decision whether they want the information public. We'd like to be able to make these turn into a standard offering after we've had a chance to learn. In the meantime, the utility is getting reimbursed.
103. Person C: sort of like what BPA did with the Grocer program. Thinking of flipping this around. The thought that there are so many programs unique to a certain utility and not others seems off.
104. LG: these ideas are trickling to BPA.
105. Person F: I did a multi-site custom project outside of BPA offering that sounds a lot like this "custom program." I took a risk because I wasn't sure if I was going to get reimbursed.
106. Person C: I agree but I'm suggesting that the same process can be used on the flip side when BPA is considering a regional program that utilities would have a chance to provide input on these programs.
107. JW: I think you're right, but this presentation and the ideas are slightly different. This is trying to work around the PTR to some extent. This would allow us to learn to inform the development of 3<sup>rd</sup> party programs. We're trying to work around some of the roadblock processes that are in place.
108. Person C: example of the grocer program. This is a great tool to find new opportunities, but I'm stepping back to make sure the mechanisms are in place so there is the same cost-recovery for utilities as there is for Bpa when they do custom programs.
109. LG: how does this look when a utility want to present to BPA. Good idea for utilities being able to put the various costs involved in the reimbursement request.
110. LG: slide 7.
111. Person C: with program modification, both parties could modify.
112. LG: slide 8.
113. LG: slide 9.

114. Person C: about original comment regarding c/e not being an issue, we've done a lot of evaluation and there may be a new factor in trying to assess cost of evaluation. BPA can assist with this evaluation issue. I would suggest that this is a good place for BPA to be helping utilities across the region.
115. LG: slide 10.
116. Person C: this is a great list of questions. I would ask that some clarification be added on what you see BPA's role in this.
117. JW: this is one of those things we can roll out before post-2011. This doesn't need to hold up this workgroup.
118. CN: if anybody has any responses to questions, please feel free to respond.

#### Break

1. CN: the federal program is much like other 3<sup>rd</sup> party programs with locations in various places around the region. So there might be economies of scale if someone from BPA could speak with somebody high up in the, e.g., Forest Service. In this way it's like the corporations discussion we've had before, so rather than talking with each forest service building manager, BPA would go straight to the overall energy manager at the Forest Service, much like going to a corporate level rather than store-by-store level.
2. Person D: we have the Ft. Lewis project. It seems that with BPA already working with them that BPA would continue to work with them and have BPA direct fund it.
3. CN: so that's an example of one customer only in one territory.
4. JW: there are couple of things here: 1) who's doing audits and on the ground and the other is the funding for incentives. BPA has definitely economies of scale in working with different federal entities but as far as the funding goes, the theory behind the EEI is that the incentives would come out of there. So BPA may continue the relationship, the actual dollars for incentives would come out of the EEI, so for Ft. Lewis the incentives would come of the Tacoma's EEI.
5. Person D: we haven't budgeted for us paying for it. If we ended up using our EEI, we could eat through it very, very fast and my concern is that we wouldn't have enough money.
6. Person B: how will this work in the future to budget for these projects.
7. JW: I'm trying to lay out where the framework is. Going back to Phase 1, customers wanted to make sure there was no cross-subsidization and the EEI limits how BPA can move money around the region. What Curt is getting at with the implementation is a good one: what should BPA's role be in terms of implementation, e.g. working with "corporate" level representatives of other federal agencies. We're moving into a different paradigm and it will be uncomfortable at times, but this is where we collectively decided to go.
8. Person B: this presents a problem for us in budgeting if you have federal entities in our area. We have some forest service projects.
9. JW: this points to the need to have close coordination. If you're talking about large amounts of dollar you may line of sight in budgeting.

10. Person B: is there a way you could send out a notice to federal entities that if they plan on anything they would need to contact the local utility in order to get any kind of funding.
11. CN: we've tried to do that with most of them, but we can do a better job on this front.
12. JW: it's not crystal clear the resolution we need out of the workgroup on this. We may need to speak with some of the utilities that have large federal customers. Direct serve customers would be different, so this is another piece of the puzzle.
13. Person C: with respect to WG5, putting the direct serve customers aside, those of us who serve a large facility it is a regional concern so should be discussed by this group. Seems like we should dive into the question of how do we make sure there is the appropriate communication and planning and how the savings are going to be reported.
14. ?: If the savings are in territory and the utility has to pay for it, but then it comes to the point where the utility doesn't have the funding the project couldn't go forward.
15. Person C: there needs to be some partnership role where we are in good communication with those facilities.
16. JW: it may be good to have a subgroup come together on how to deal with this.
17. Person C: two issues: who implements and how does the funding work? Is the funding part of the utility's EEI funding and how do we make that work so all these planning complications get handled. With implementation, questions like does BPA have the right contact or does the utility do the communicating or some hybrid approach. There needs to be something similar to the "chain account."
18. JW: I want to be clear about the funding piece: there are some things about the funding that should be discussed.
19. Person C: gets complicated because some there are some federal requirements. We just need transparency on how those projects are going to get funded.
20. CN: idea for a subgroup is a good one. I'd volunteer. Group will cover implementation and funding. As an aside, executive orders are not enforceable.
21. Person C: is there some funding agreement with JBLM.
22. CN: we've helped them borrow money.
23. Person D: myself or Peter Myer will join the group.
24. WC: I can work on that as well.
25. Person C: Jim West or somebody else will participate.
26. CN: is there anything missing. We've discussed the issues list. Anything else we should cover?
27. CN: group needs to move toward putting together recommendations.
28. Person C: we could break out some topics and subgroups could take the chance to draft recommendations. Also, how are we going to write up or work on the higher level issue of regional programs. There is this presumption that there are some things that are more c/e done at the regional level. Is there some mechanism for tracking, what will we know about the next power plan as to whether there are things that are more effective/efficient at the regional/BPA level as opposed to local level. Trying to get at what the true costs are.
29. JW: we would be open to recommendations on this.

30. Person C: example of Fluid. There are models, e.g. what happens when other vendors come and offer programs. How do we coordinate on this? Also, when we talk about regional programs, where and how do we have coordination (and some contribution for the planning and evaluation) from the IOU side. Everybody just likes to say 20% for admin, but as we get more validation on the cost, from a regional perspective, where is the opportunity for BPA or not to do some coordination with the IOUs. Is there a role for BPA to facilitate that?
31. JW: this would be a good thing for a straw proposal, even if just a few bullet points.
32. Person C: two topics: 1) involvement of IOUs and 2) how are we going to know what are the most efficient program models to deliver in the future.
33. CN: Dave from NEEA was on earlier talking about regional coordination.
34. Person C: it may not be an either or, but there's something to learn.
35. Person B: can you comment on the structure for the midpoint meeting?
36. JW: workgroup overviews with Q&A time.
37. Person C: I'll try to do something on fleshing out how to define what are our most efficient means of delivery at the regional and local level.

# Custom Programs: Draft Process

Presented by:  
Josh Warner, Lauren Gage

September 2, 2010



# Goals:

- Introduce two custom program options:
  - Pre-approved M&V Custom Program
  - Evaluated Custom Program
- Gain feedback on draft processes



# Background

- Why are we doing this?
  - Utilities have been asking for flexibility to propose custom programs to BPA
  - Develop method for utilities to test new efficiency options while
    - Reducing custom project process for each installation
    - Allow an ex-post evaluation
- Two types of custom programs
  - Pre-approved M&V
    - Follows custom project process closely, where site-specific M&V is conducted on multiple sites
    - Example: Multiple Slinky factories in your territory, want to use the same M&V for each one
  - Evaluated
    - Savings verification conducted by ex-post evaluation rather than site-specific M&V
    - Example: Residential behavioral program



## Basic Eligibility for Custom Programs

- A utility must propose a custom program to BPA
- The technologies/approaches are not covered by standard programs (i.e., they must be non-deemed measures) or non-standard agreements



# Pre-Approved M&V Custom Program

- Proposal covers multiple sites with one or more measures, with utility conducting site-by-site M&V on each one.



# Pre-Approved M&V Custom Program: DRAFT Process

1. Utility completes and submits program documentation and M&V plan to BPA via email.
  - Utility must plan and document the program to be TRC cost-effective ( $TRC > 1.0$ )
  - Program documentation include Program Template, Credit Calculator for each unique measure and program overall, M&V Plan
2. BPA approves program documentation and M&V plan
3. BPA creates PTR reference numbers
4. Utility conducts site inspections and M&V service on each installation
5. Utility reports site-specific results in PTR system
  - As M&V completed for each site, Utility uses CPCC and reports into PTR through template.
  - Reimbursement level determined by the CPCC consistent with the start date of each individual project
  - Expected that utility manages the program cost-effectiveness to  $TRC > 1.0$  on an annual basis
6. Utility must have documentation of final M&V and program in records for BPA oversight.



# Modification and Cancellation

- **Program Modification**
  - Utility may submit program modifications and documentation for:
    - Inclusion of new measure
    - Exclusion of measure
    - Modification of M&V approach
- **Program Cancellation Prior to End Date**
  - Utility may opt-out at any time
  - BPA can cancel per IM section 3.4.4



# Evaluated Custom Program

- Proposal covers multiple sites with one or more measures, with utility completing, submitting and gaining approval for ex-post evaluation prior to reimbursement by BPA.



# Evaluated Custom Program: DRAFT Process

(red indicates difference from Pre-approved M&V)

1. Utility completes and submits program documentation and EM&V plan to BPA via email.
  - Utility must plan and document the program to be TRC cost-effective ( $TRC > 1.0$ )
  - Program documentation include Program Template, Credit Calculator for each unique measure and program overall, EM&V Plan. Utility must estimate program costs.
2. BPA approves program documentation and EM&V plan
3. Utility conducts program and completes evaluation
4. Utility submits completed evaluation for BPA approval
5. BPA creates PTR reference numbers
6. Utility reports program results in PTR system
  - After EM&V is complete, utility uses CPCC and reports into PTR through template.
  - Reimbursement level determined by the CPCC consistent with the start date of program approval
  - Program must have  $TRC > 1.0$  from completed evaluation to receive reimbursement
7. Utility must have documentation of final EM&V and program in records for BPA oversight.

Cancellation Prior to End Date: Utility may opt-out at any time; BPA can cancel per IM section 3.4.4



# Questions for Utilities

- General
  - Do these two paths cover all/most options utilities would like to propose?
- Pre-Approved M&V Custom Program
  - Process Improvements? Simplifications?
  - Is it OK to assume 20% administrative costs for TRC calculation?
  - TRC – utility to manage the TRC or place a limit on TRC level by project?
  - Are modifications / cancellation appropriate?
- Evaluated Custom Program
  - Possible for utility to estimate program costs for TRC estimate?
  - Completed evaluation may take a year after program completion – concerns? Solutions?
  - Do utilities need additional support with EM&V plans and implementation?



# Questions and Feedback

