



April 1 Audit-Related Changes Update

February 26, 2026 | 10:00 a.m.



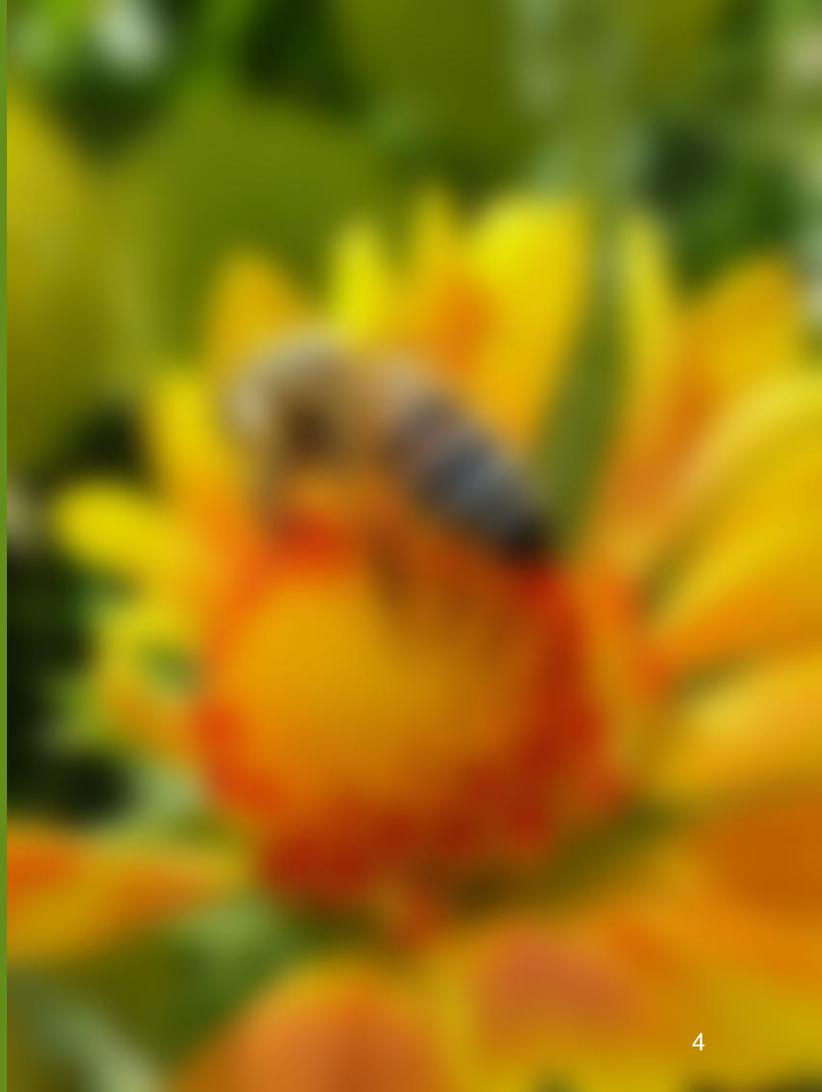
Agenda

- Background and Summary of Upcoming Requirements
- Audit-Related IM Changes
- Cost Documentation Bulk Upload Methods and Other BEETS Changes
- How Utilities Can Prepare- Lessons Learned from Early Testing
- Site Inspections Summary and FAQ
- Next Steps



Background and Summary of Upcoming Requirements

Dave Moody



Background

- From mid-2024 to mid-2025, BPA's Energy Efficiency organization was subject to an internal controls audit. This audit will result in several changes to BPA's Energy Efficiency Program.
- **Changes will take effect on April 1, 2026.**
- In Fall 2025, Energy Efficiency established four work groups to develop policy and systems updates, explore methods for Cost Documentation submission, and test implementation internally and externally to troubleshoot and minimize impacts to customers.
- This early testing has been essential to developing best practices that will work for both customers and BPA.

Summary of Upcoming Requirements

Cost Documentation Requirements

- **Cost documentation will be required to be submitted at the time of submission** for all measures that incur a cost, including any applicable income qualified repair costs.
- **BPA's oversight will not increase from current levels.** Program Compliance Specialists (PCS) will ensure documentation has been uploaded but will only review it if selected for oversight.
- **Installed cost will be optional in the UES upload template;** income qualified measure and repair costs will still be required.

Summary of Upcoming Requirements

BPA and Utility Site Inspections

- BPA will complete on-site verifications of unit energy savings (UES) installations in at least five utility service territories each year.
- BPA Engineering staff will conduct Inspections, communicate, and coordinate with utilities prior to each inspection.
- If customers perform independent site inspections, BPA may request documentation.

Audit-Driven Implementation Manual Changes

Amy Burke

Eric Mullendore

Audit-Driven IM Changes

Overview:

The BPA team focused on limiting changes to **‘what’** documentation is required, where possible. With few exceptions, customer utilities should submit the same cost documentation they currently retain in their files and submit during oversight.

The **‘when and how’**, timing and method of submittal, are changing. Cost documentation will be submitted at the time of application rather than during oversight.

BPA is developing an FAQ to address general cost documentation topics, including:

- 1) Cost documentation for bulk uploads
- 2) Submitting cost documentation with the Online Lighting Calculator (OLC)
- 3) Cost documentation that includes costs for multiple measures

Audit-Driven IM Changes

Clarifying and aligning text references:

- Where applicable, aligned references to “Cost Documentation”.
- Corrected documentation tables to reflect documents submitted to BPA are retained in customer files, where applicable.
- Clarified which data requirements are only required in the UES upload template and do not need to be submitted into BPA Energy Efficiency Tracking System (BEETS) as documentation.

Measures exempt from submitting cost docs include but are not limited to self-funded, retail, and coupon or instant rebate measures.

Audit-Driven IM Changes

Effective April 1, 2026:

- **Expiring equipment order or purchase date**
 - Applies to various measures in Agriculture (section 7), Commercial (section 8), Industrial (section 10), Residential (section 11), and measures referencing Measure Distribution Channels (section 6.2).
- **Expiring installed costs in the UES upload template**
 - Removed reference installed costs in Residential new construction sections
 - Income Qualified measure and repair costs will still be required
- **For 8.4.5 VRF System Retrofit**, corrected documentation requirements table to indicate that manufacturer and model only need to be kept in the customer file.

Proposed IM Changes

Appendix A: Definitions and Acronyms

Cost Documentation	Documentation that reflects eligible project costs incurred to implement the project. Please reference the “UES Cost Documentation FAQ” located in the IM Document Library for more detail.
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Proposed IM Changes

1.4 Payment

When BPA determines the appropriate payments, it assesses cost characteristics relative to established metrics and considers other factors. The cost metrics reviewed for payment are the incremental cost, the first-year cost, and the levelized cost of the measure. Payments are measured as a percentage of incremental cost and are capped based on savings-type policies (e.g., custom projects capped at 70 percent of incremental cost). BPA then reviews the first-year cost with the goal of keeping each offering at or below the sector average cost goals. Finally, BPA compares the levelized cost of the payment against the Power Plan's avoided costs to ensure that BPA's payment does not exceed the resource value of the savings. Other factors considered include programmatic considerations, market maturity or conditions, payment influence, and free ridership, TRC cost-effectiveness and regional benefits. **BPA's willingness to pay is a cost cap designed not to exceed the total cost of implementation of the measure at the time incentives are set.**

Proposed IM Changes

2.2.1 Direct Fund

BPA may direct fund energy savings measures and projects proposed by customers. BPA will announce funding opportunities when they arise. Customer proposals will be evaluated, and those selected must comply with BPA's Implementation Manual program and reporting requirements. BPA does not allow a performance payment to be earned on direct fund activities. **For applications funded through Direct Fund Distribution (DFD) agreements, customers will be required to select DFD as a funding source in BEETS.**

Proposed IM Changes

3.1 Documentation Requirements

Measure-specific documentation requirements are listed in the corresponding IM section. Customers must retain all documentation in the customer's file, which may be in hard copy or electronic form. **Customers ~~and~~ must submit certain documentation to BPA. ~~using BEETS~~ Whenever documentation is required to be submitted to BEETS, BPA-approved alternative tools such as Box can be used. For more details on how and where to upload documentation, see the [BEETS Training Materials & Support Resources](#) webpage.**

3.2 Reporting Requirements

Measures reported to BPA must include supporting documentation required by the IM, and customers must establish and maintain files and supporting documentation for each submitted measure. **Customers must provide cost documentation at the time of application for all measures where implementation costs are incurred and EEI payment is requested. Cost documentation does not need to be provided at the time of application for self-funded measures, but may still be requested as part of the oversight process. Individual documentation requirements are detailed in the documentation requirements for each measure.**

Proposed IM Changes

4.5 Option 2 Custom Projects

For all Option 2 projects, the customer must review and approve the completion report prior to submitting the savings into BEETS. **If EEI reimbursement is requested, cost documentation must be submitted at the time the project is submitted. Cost documentation does not need to be provided at the time of application for self-funded measures, but may still be requested as part of the oversight process.** The completion report and **additional** supporting documentation does not need to be submitted to BPA, but it must be retained by the customer for oversight and evaluation.

4.6 Custom Projects Documentation Requirements

DOCUMENTATION DESCRIPTION	RETENTION/SUBMITTAL LOCATIONS	
	BEETS	CUSTOMER FILE
Option 1 Custom Projects		
Cost Documentation	X	X
Option 1 custom project supporting documentation	X	X
Option 2 Custom Projects		
Cost Documentation	X	X
Option 2 custom project supporting documentation		X

Proposed IM Changes

6.2 Measure Distribution Channels

Documentation Requirements By Channel

DISTRIBUTION CHANNEL	METHODOLOGY ALLOCATING SAVINGS	END-USER IDENTIFYING INFORMATION (MAY BE REQUIRED IN BEETS)*	SALES REPORT	COST DOCUMENTATION EQUIPMENT/CONTRACTOR INVOICE (REQUIRED IN BEETS)*
Retail	X		X	
Direct Install		X		X
Coupon or Instant Rebate		X	X	
Standard Rebate Payment		X		X
*Additional requirements may apply and will be listed in the body of the IM for each measure category.				

Description of Documentation Requirements

COST DOCUMENTATION Equipment/Contractor Invoice	The equipment invoice or contractor invoice showing the measure requirements have been met (e.g., manufacturer, model number, type, size, and quantity of equipment or product installed/used); the order/purchase date; and cost. See the UES Cost Documentation FAQ located in the IM Document Library.
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Proposed IM Changes: Documentation Tables

Renamed ‘Cost Documentation’ in a separate line and deleted “order & purchase date”, which impacts every sector.

Edited and clean examples from 7.2 Freeze-Resistant Stock Water Tanks and/or Fountains

Documentation Requirements		
Documentation Description	Retention/Submittal Locations	
	BEETS	Customer File
End-user identifying information including unique site ID and address (e.g., field location, farm name, meter number, GPS coordinates, or legal property description)	X	X
Cost documentation	X	X
Proof of manufacturer defect warranty of at least one year		X
Documentation of the following: Equipment or contractor invoice is to include <ul style="list-style-type: none"> • Manufacturer • Model number • Type or size of equipment or product installed/used • Quantity; order/purchase date, and cost 		X

Documentation Requirements		
Documentation Description	Retention/Submittal Locations	
	BEETS	Customer File
End-user identifying information including unique site ID and address (e.g., field location, meter number, GPS coordinates, farm name, or legal property description)	X	X
Cost Documentation	X	X
Proof of manufacturer defect warranty of at least one year		X
Documentation of the following: <ul style="list-style-type: none"> • Manufacturer • Model number • Type or size of equipment or product installed/used • Quantity 		X

Proposed IM Changes: Documentation Tables

Clarified for several measures what is only required to be submitted to BPA on the UES upload template, not uploaded on a document.

Edited and clean examples from 11.6.1 Line-Voltage Thermostats

Documentation Requirements		
Documentation Description	Retention/Submittal Locations	
	BEETS	Customer File
End-user identifying information including unique site ID and address	X	X
Installed Cost documentation: Equipment or contractor invoice showing: Equipment order or purchase date Installed cost Model number of installed unit	X	X
Documentation of the following for the installed thermostat: thermostat make Manufacturer <ul style="list-style-type: none"> Model number Quantity of equipment 	X*	X
<i>*Only in UES Measure Upload Template</i>		

Documentation Requirements		
Documentation Description	Retention/Submittal Locations	
	BEETS	Customer File
End-user identifying information including unique site ID and address	X	X
Cost Documentation	X	X
Documentation of the following for the installed thermostat: <ul style="list-style-type: none"> Manufacturer Model number Quantity of equipment 	X*	X
<i>*Only in UES Measure Upload Template</i>		

Proposed IM Changes: Documentation Tables

8.3.1 Lighting Calculators

New Construction Projects: Eligibility

Requirements and Specifications

Cost documentation that supports the incremental measure cost calculation used must be uploaded to the Online Lighting Calculator at the time of submittal to BEETS.

Retrofit Projects for Existing Buildings: Eligibility

Requirements and Specifications

Cost documentation must be uploaded to the Online Lighting Calculator at the time of submittal to BEETS.

Proposed IM Changes: Documentation Tables

8.3.1 Lighting Calculators

Documentation Requirements Documentation Description	Retention/Submittal Locations		
	BEETS	Customer File	Online Lighting Calculator
	New Construction Lighting Projects		
Completed lighting calculator	X	✘	X
Product or contractor invoice showing: Product order or purchase date Installed cost Cost documentation		✘	X
One of the following documents: <ul style="list-style-type: none"> An applicable code compliance form that documents the lighting power allowance and proposed lighting power, or, if not available A document showing the calculated lighting power allowance using applicable code and the proposed lighting power, or, if exempt from code A document showing the calculated lighting power allowance using common practice and the proposed lighting power 		X	
Retrofit Lighting Projects			
Completed lighting calculator	X	✘	X
Product or contractor invoice showing: Product order or purchase date Installed cost Cost documentation		✘	X
For batch retrofit projects: Documentation of individual installation location, either in the “notes” section of the lighting calculator or in a separate customer-generated spreadsheet		X	

Proposed IM Changes: Documentation Tables

Removed reference to a signed attestation in applicable commercial measures.

Edited and clean examples from 8.4.4 Air-Source Heat Pump Retrofit and Upgrade

Documentation Requirements		
Documentation Description	Retention/Submittal Locations	
	BEETS	Customer File
End-user identifying information including unique site ID and address	X	X
Cost Documentation	X	X
Documentation of the following: that the reported equipment was installed. Installation documentation should include an invoice and/or a signed attestation with the following elements: <ul style="list-style-type: none"> • Installation address; • Equipment order, purchase or installation date; • Equipment makeManufacturer • Model number; • Equipment quantity;and • Contact information for the signatory. 		X
AHRI Certificate		X

Documentation Requirements		
Documentation Description	Retention/Submittal Locations	
	BEETS	Customer File
End-user identifying information including unique site ID and address	X	X
Cost Documentation	X	X
Documentation of the following:		X
<ul style="list-style-type: none"> • Manufacturer • Model number • Equipment quantity 		
AHRI Certificate		X

Proposed IM Changes: Documentation Tables

Removed redundant reference to “End-user identifying information including unique site ID and address for measures referencing section 6.2 Measure Distribution Channels (11.2, 11.3, 11.4, 11.6.3, 11.8.7)”

Edited and clean examples from 11.4.1 Thermostatic Shut-Off Valves

Documentation Requirements	Retention/Submittal Locations	
Documentation Description	BEETS	Customer File
End-user identifying information including unique site ID and address, sSee section 6.2 Measure Distribution Process for documentation requirements for each channel listed above.	See Section 6.2	X
Installed cost	X	X
Fuel source documentation (Direct Install if using fuel-specific measures) Customers who are able to document the absence of natural gas within their service territory (through a statement or map provided by the public utilities commission or equivalent regulatory body) may claim electric domestic hot water heater without the verification of fuel type.		X

Documentation Requirements	Retention/Submittal Locations	
Documentation Description	BEETS	Customer File
See section 6.2 Measure Distribution Process for documentation requirements for each channel listed above.	See Section 6.2	X
Fuel source documentation (Direct Install if using fuel-specific measures) Customers who are able to document the absence of natural gas within their service territory (through a statement or map provided by the public utilities commission or equivalent regulatory body) may claim electric domestic hot water heater without the verification of fuel type.		X

Proposed IM Changes: Documentation Tables

11.9 Energy Efficiency Income Qualified Measures

Payment

For income-qualified measures, customers are required to provide detailed cost documentation for all claimed measure and repair costs at the time of application. Payment for income qualified measure costs will be limited to the lesser of documented measure costs or any applicable cost cap.

Repair Costs

Payment for repair costs will be limited to documented costs.

Edited header language on payment table in 11.9 Income Qualified

Payment			
HOME TYPE	Income Qualified Qualifying measure	Installed Measure Cost Payment dollar-for-dollar (except as noted)	Repair Cost payment dollar-for-dollar Examples provided
Single family	Attic Insulation (up to R-49)	Dollar-for-dollar	Examples include repair of roof leak, rebuild of external entrance covering, and fixing hole in siding.

Questions?



- **Cost Documentation**
Bulk Upload Methods
- **Other BEETS Changes**
- **Box Demonstration**

Mike Palmer

Matt McLatchie

Document Submission Infrastructure

- BEETS does not natively allow for easy, high volume file uploads. We are working to enhance BEETS functionality, but these changes will not be available by April 1.
- BPA also developed and tested a bulk file submission method called Box, a platform which meets the security standards set by FedRAMP.
- Over a dozen customers participated in preliminary testing on Box to assess feasibility, provide feedback and support a smooth rollout.
- Longer term, BPA plans to make both BEETS and Box available for bulk upload submission.

Cost Documentation: What Goes Where?

- **Bulk uploads:** For large files or multiple file submissions, we strongly recommend using Box. *BPA will send each utility an individualized link by April 1.*
- **Individual file uploads:** For submitting only a small number of files, you can attach files individually to each application in BEETS.
- **Lighting:** For all lighting measures, submit Cost Documentation through the Online Lighting Calculator.

Other Changes to BEETS

The audit required several additional changes in BEETS, some of which will take effect April 1.

- Add a check-box to UES utility review form to indicate that a utility completed a site inspection.
- Allow users to indicate that an application is supported by Direct Funding. Change DFD checkbox to yes/no dropdown and add a conditionally required field for DFD agreement number.
- Display the username of the user that performed the bulk upload of documents on the Admin form as well as on certain reports.
- Allow a workflow task to move application straight to “oversight” status, bypassing step for utilities to upload documentation. This is to be used when utilities provide 100% of documentation required for oversight along with cost documentation.

- **Box Demonstration**
- **User Guides & Supporting Materials**
- **BEETS Training Materials & Support Resources**

Questions?



How Utilities Can Prepare: Lessons Learned from Early Testing

Melissa Podeszwa- BPA

Mike Palmer- BPA

Jessica Schreiber- Mason 3

Staci Henrichsen- Clark PUD

BPA: Clarifications

- If cost documentation files include non-invoice information, there is no need to delete these additional pages.
- End user first and last names can not be in the file name, but addresses are fine.
- PII does not need to be redacted within the document.
- BPA will provide example naming conventions, but we will not require a specific naming convention.

BPA: Lessons Learned

Utilities used a variety of naming conventions, and the majority were easily matched to the BEETS application.

File Name Examples from Customers	File Name Elements	Can be matched to BEETS application?
ASHP_3200 TIPPERARY LN	Measure, Address	YES
UES-2025-00005154 CLOTHES WASHER 66032	Wildcard, Measure, Site ID	YES
RRT55648	Wildcard	YES
Project 151117_59299002_95250 Greggs Creek Rd	Project Name, Unique Site ID, Address	YES
PROJECT NAME 147422	Project Name	YES
UES202500006718	Project Name	YES
RES_134966_2024-10	Project Name, Completion Year/Month	YES
08.2025	Submission Date	NO
RHVHS13243_August 2025	Reference Number, Submission Date	NO

Utility Best Practice Discussion

- How did you organize your files to prepare them for upload?
- How did the Box testing process go for you?
- Are there any lessons learned or best practices that you'd like to share with other utilities?

**Thank you to all the utilities who helped with Box testing-
your insights and feedback have been essential!**

*Lewis ~ EWEB ~ Tacoma ~ Cowlitz ~ Flathead ~ Seattle
PNGC ~ Clark ~ Mason 3 ~ Idaho Falls ~ Snohomish ~ Inland*

Questions?



Site Inspections Process and FAQs

Erin Hope

Site Inspection Process

Utility Notification

- The PCS will notify the utility of the upcoming site verification. Notifications will include the project name and project number from BEETS, and will be sent to the same utility contact(s) that are notified of PCS oversight.
- Within three business days, the engineer will contact the utility to answer questions and arrange a date and time for verification inspection.

Site Inspection Process

Notification Email Template

Hello,

This email is to notify you that BPA has selected the project named **EXAMPLE2023_08_23_BPA_UES_MCP** with Project Number: **EXAMPLEBPUEPS1554527573** for onsite verification of the project. To view the project, please log into BEETS at visiondsm.programprocessing.com and search for Project Number: **EXAMPLEBPUEPS1554527573**. A BPA conservation engineer will contact you to arrange for the site visit and answer any questions.

Thank you and have a great day!

PCS Email Signature

Site Inspection Process

Post Site Inspection

- If there are no compliance issues found, the engineer will notify the PCS and the EER assigned to the utility that the site inspection is complete and no issues were found.
- If the utility did not participate in the site inspection, the engineer will notify the utility the site inspection is complete and no issues were found.
- If a compliance issue is found during the site inspection, the engineer will notify the PEJ manager and the PCS assigned to the utility.
- The PCS will officially notify the utility of the compliance issue and determine next steps.
- BPA will upload the site verification documentation into BEETS.

Site Inspection Process

Frequently Asked Questions

How many site verifications will BPA conduct?

BPA will conduct ten site verifications total per fiscal year (Oct. 1 to Sept. 30): two site verifications across five utilities per fiscal year.

How many site verifications will a utility have?

If selected, BPA will conduct site verification of two UES projects that were reported in BEETS and received EEI funding.

How often will a utility be selected?

Possibly every few years, but it will depend on the volume of EEI funded UES projects a utility completes each year.

How will utilities be notified?

The PCS, formally the COTR, will email the utility contact informing them of the projects selected for verification. The engineer will follow up to schedule a date and time for a site visit and answer questions.

Site Inspection Process

Frequently Asked Questions

Will the EER be notified and can they participate in the site visit?

The EER will be notified after the site verification is completed. Just like oversight, the site verification is considered a compliance verification so only the PCS and engineer are involved in site verification.

Can the utility contact the EER about the site verification?

Yes, the EER can answer questions on why BPA is conducting site verification and the process. The EER will not be involved in project selection or conducting the site visit.

Who will conduct the site verification and site visit?

One of the BPA conservation engineers. It will typically be your assigned customer service engineer, but another engineer may be assigned due to your customer service engineer's workload.

Site Inspection Process

Frequently Asked Questions

What is the utility's role and responsibilities in the site verification?

BPA requests the utility contact their customer, the end-user, to notify them of the site verification and arrange a date and time for the site visit. Utilities are encouraged to participate in the site visit with the engineer.

What if the end-user refuses to allow site verification of the project?

Notify the PCS and engineer of the end-user's decision not to participate. We will work with the utility to find a solution, possibly an alternative similar project.

What happens if the project is not able to correct the issue to meet IM requirements?

The PCS will take the same actions as if the compliance issue was found during oversight. The projects will be treated the same whether the issue is found during oversight or site verification.

Questions?



Next Steps

- BPA will send utility-specific Box links to each utility by April 1, 2026.
- We are targeting an **Implementation Manual release date of March 16, 2026.**
- BPA will share supporting documentation in the **March 12 EE Announcements:**
 - Audit FAQ
 - Box / BEETS User Guides and Training Videos
 - Cost Documentation FAQ
 - Measure list plain language explanation

If you have any questions, concerns, or ideas after today's webinar, please contact your EER.