

New Custom Programs: Pre-Approved M&V and Evaluated Custom Program

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Goal of the Brownbag

Customers should leave the brownbag with a clear understanding of why we developed these, how the two new paths work, and when and how to use them.

- *#1 Evaluated Custom Program*
- *#2 Pre-Approved M&V*

Background: Why are we doing this?

Our customers have been asking for flexibility to propose custom programs to BPA.

- Multiple utilities have asked for help on behavior-based programs
- One utility asked for the ability to do a custom program for their prescriptive duct sealing program

We heard you.

- Now there is a path for customers to submit their behavior based or other non-conforming program and have their savings booked upon evaluation of savings. *#1 Evaluated Custom Program*
- We have streamlined the process for projects of the same type and same M & V plan at multiple sites. *#2 Pre-Approved M&V*

Process Development

- Developed by a cross-departmental team
- External presentations: USB and Post-2011
- Approved in January
- Official as of April 1 Implementation Manual
- EE Central is developing ability to manage these
- Will be part of the 2011 EE Summit

#1 Evaluated Custom Program

Examples: Prescriptive Duct Sealing, or Residential behavior program

- Savings verification conducted by ex-post evaluation rather than site-specific M&V
- Utility must gain acceptance of evaluation plan
- Program-level savings are reported after evaluation is complete and savings are shown as cost-effective
- Custom Project Credit Calculator used to calculate reimbursement, based on start date of program
- Only savings produced after the evaluated custom program is approved by BPA are eligible for reimbursement.

#2 Pre-approved M&V custom programs

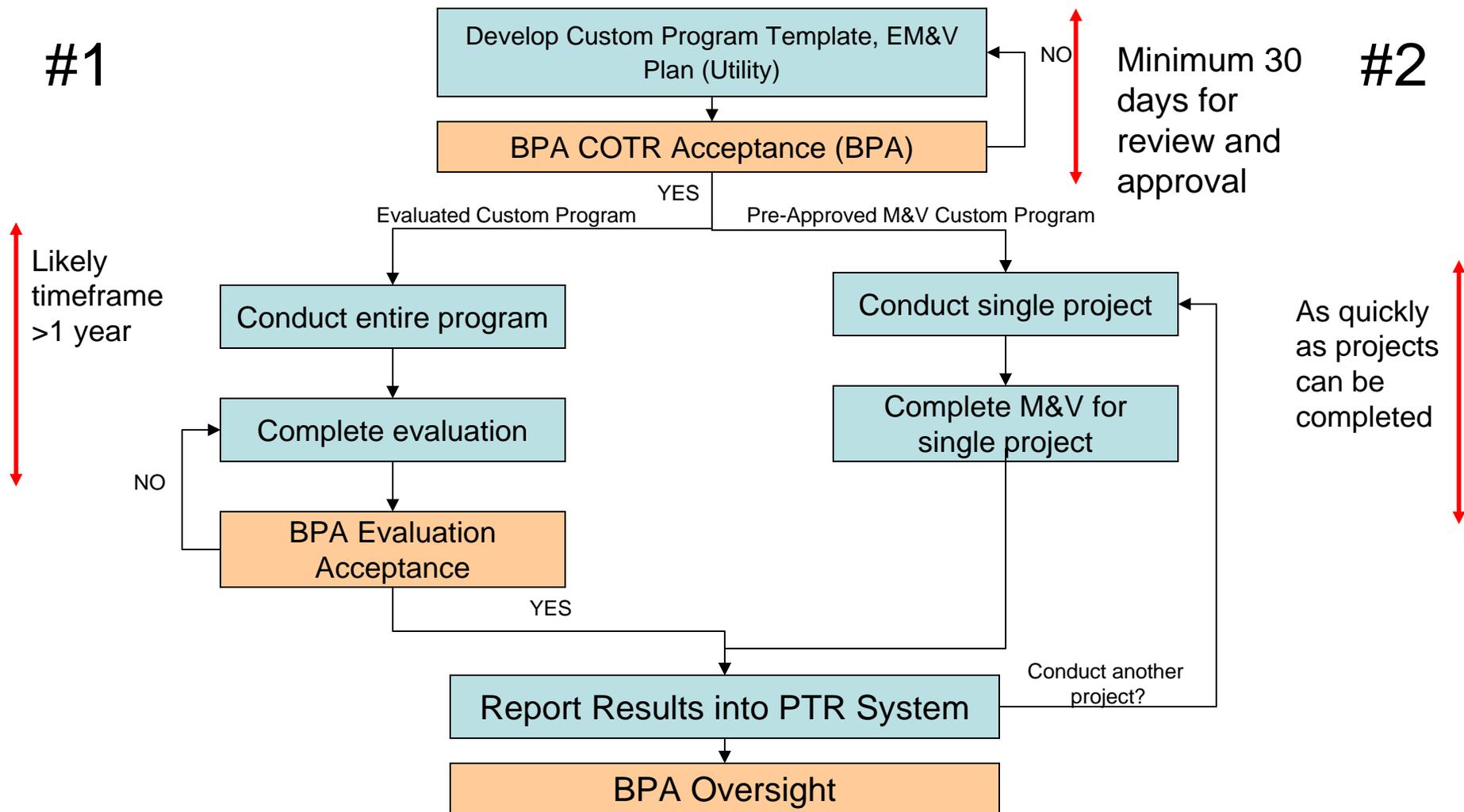
Example: Multiple spud sheds in one territory, with similar measures to be installed

- A single M&V plan can be used for the group of projects
- Follows custom project process closely, where site-specific M&V is conducted on multiple sites
- Utility gains pre-approval of M&V plan from BPA and then completes installations (no additional proposal acceptance)
- Savings for each project are reported into PTR in real-time (no acceptance of completion report)
- Custom Project Credit Calculator used to calculate reimbursement, based on start date of project

Process Flow

#1

#2



Details: Qualifying Criteria

■ All custom programs:

- May not result in fuel switching
- May not include deemed measures
- Must cover multiple end-user sites with one or more measures
- Must be TRC cost-effective ($TRC > 1.0$) on a prospective (planning) basis.

#1 Evaluated custom programs:

- Evaluation must document the program as cost-effective ($TRC > 1.0$)
- Reimbursement is available for savings produced after the evaluated custom program is approved by BPA

#2 Pre-approved M&V custom program:

- Individual custom projects must have B/C Ratio of 0.5, Customer manages program to be TRC cost-effective ($TRC > 1.0$) on an annual basis.
- If progress payments are available for custom projects, they are similarly available for Pre-Approved Custom Programs
- Reimbursement available for projects with start dates after the date of custom program approval.

Details: Proposal and Approval Process

- Customer secures BPA's approval of its program using the COTR Request and Acknowledgment Procedure.
 - Within 30 business days, BPA will e-mail customer decision or a time-frame for a decision
- Request must include: **(next few slides)**
 - Custom program template
 - Results from the custom project credit calculator (CPCC)
 - For evaluated programs (#1), an evaluation, measurement and verification (EM&V) plan
 - For pre-approved programs (#2), an M&V plan.

Details: Custom Program Template – Program Information

Serving Utility:	
Utility Contact Name	
Utility Contact Phone	
Utility Contact email	

Program Title:	
Sector:	
Planned Program Start Date:	
Planned Program End Date:	
Expected Funding Source (s):	
Description of the program	

Program Costs Beyond measure costs	(\$/year)	
Year 1		
Year 2		
Year 3		
Year 4		
Year 5		

Details: Custom Program Template – Measure Information

From CPCC

Calculator File Name:
MEASURE INPUTS FROM CREDIT CALCULATOR
New Construction/Major Renovation/Major Remodel (ie, NOT Retrofit)?
Sector
Category
Subcategory
Energy efficiency activity/load profile that best matches this measure
Measure name for this specific measure (include useful identifying information)
Annual Site Energy Savings (kWh/yr) for this measure
Total Measure Cost (\$)
Enter Change in Measure O&M Cost (Savings -\$ or Increases +\$)
Enter Measure Annual Non-Energy Benefits

RESULTS FROM CREDIT CALCULATOR
Potential Reimbursement (\$/kWh)
Default Measure Life
Annual Energy Savings @ Busbar
Annual Energy Cost Savings
Simple Payback
Present Value of Change in Operation and Maintenance Cost
Present Value Non_Energy Benefits
Present Value Energy Savings
Measure Benefit/Cost Ratio
BPA Measure Reimbursement

From Custom Project Template

DETAILED DESCRIPTIONS OF CALCULATIONS
Measure Baseline Description:
Proposed Measure Description:
Energy Savings Estimate:
Proposed Measure Costs:
Summary of Measurement and Verification Plan:
Estimated Change in O&M Cost and/or
Estimated Non-Energy Benefits:

New Information Required

Expected Units Installed - Number of Measures expected per year of program operation
Year 1
Year 2
Year 3
Year 4
Year 5

Details: EM&V Plans

#1 Evaluated Custom Program: The EM&V plan must include an impact evaluation that describes the following:

- Key program requirements
- General research questions to be addressed in the evaluation
- Program participants and selection criteria
- Baseline determination and estimation
- Cost-effectiveness analyses
- Data to be collected during the evaluation
- Data cleaning methods
- Analytical approaches for estimating gross savings
- Method for determining persistence of program
- Method for implementation of the evaluation (e.g., third party contractor)
- Schedule with key milestones for the evaluation
- For behavior-based programs, additional information required by RTF-approved evaluation protocols

#2 Pre-approved M&V custom program:

Customer must submit M&V Plan for each measure or combination of measures in the program. The M&V plan should follow the guidelines of M&V practices in the Manual.

Details: Reporting

#1 Evaluated custom program

- After program is approved, Customer implements program and completes evaluation
- Customer submits completed evaluation to BPA for approval
- Upon approval, customer receives PTR system upload template
- Customer reports entire program into the PTR system
- CPCC estimates reimbursement level consistent with the date of program acceptance.
- The CPCC will require project costs, which include all measure costs, program overhead costs and evaluation costs.

#2 Pre-approved M&V custom program

- After program approved, customer receives PTR system upload template to the customer.
- Customer conducts project, inspections and M&V
- Customer uses CPCC for each project
- Customer reports each project into PTR system no later than the reporting period immediately following project completion.
- CPCC estimates the reimbursement level, consistent with the start date of each individual project.

Questions about the Custom Programs

Contact

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Or contact your Energy Efficiency
Representative