

## CPUC Staff Ex Ante Review

CPUC Staff Project ID Number	PGE 21 C A 626 PRJ - 02846662 HVAC
CMPA Directory Link	<a href="https://deeresources.info/cmpa/projects/19007">https://deeresources.info/cmpa/projects/19007</a>
PA	PGE
PA Application ID	PRJ - 02846662
PA Application Executed Date	
PA Program ID	PGE21031
PA Program Name	Agricultural Calculated Incentives - Customized Incentive Program
PA Program Year	
Date of CPUC Staff Review:	5/10/2021
PA CMPA Upload Dates Included in this review:	
First PA Upload	3/2/2021
Second PA Upload	3/30/2021
Third PA Upload	4/20/2021
Fourth PA Upload	
Fifth PA Upload	
Sixth PA Upload	
Seventh PA Upload	
Eighth PA Upload	
PA Measure Description(s):	
Measure 1	
Measure 2	
Measure 3	
Measure 4	
Measure 5	
Measure 6	
Measure 7	
Measure 8	
Measure 9	
Measure 10	
PA Project Description:	0
Bi-Monthly Upload kW Demand Reduction	5.5
Bi-Monthly Upload Annual kWh Impacts	95,221.2
Bi-Monthly Upload Therm Impacts	0.0
PA Proposed Incentive \$ (to Customer)	\$12,251.54
Project Documentation kW Demand Reduction	5.5
Project Documentation Annual kWh Impacts	95,221.2
Project Documentation Annual Therm Impacts	0.0
CPUC Staff Primary Reviewer Name	
CPUC Staff Primary Reviewer Firm	E350
CPUC Staff Review Supervisor Name	
CPUC Staff Review Supervisor Firm	SBW
PA Primary Reviewer Name	
PA Primary Reviewer Firm	
CPUC Staff Project Manager	
CPUC Staff Policy Authorization (as needed)	
CPUC Staff Recommendation:	Application ready to proceed with exception(s), as noted
For rejection, action required:	N/A
M&V Review:	Post M&V Review NOT Required

Action Number:	Summary of CPUC Staff Required Action by the PA:	Action Category	PA Response	ED Resolution
1	According to the project documentation, this project qualifies for total of \$7,414 incentives. Th PA included \$12,251 of incentives in the bimonthly upload which is incorrect. Please update the quarterly submission to use the correct incentive value of \$7,414	Incentive calculation		

Note or Instruction Number:	CPUC Staff Notes or Instructions:	Instruction Category	PA Response	ED Resolution
1	<p>CPUC staff is approving this project but noting that we found program influence and standard practice issues as summarized below. These are provided here as instructions for future submissions:</p> <p>1- The dairy customer installed the same measure in other barns 4 years ago and received incentives under a different program. This indicates that the customer is already familiar with the benefit of installing more efficient ventilation equipment and therefore the new efficient equipment should be considered standard practice at this site.</p> <p>2- The customer internal payback threshold is 3 years, and the project pays back in less than 2 years without incentives. Additionally, the customer was already considering adding new ventilation system and acknowledged that the project payback is better than reasonable.</p> <p>According to the PA, although the customer wanted to install a good payback project, the customer was still unable to move forward with any products (standard practice or higher efficiency) due to lack of funds. According to the PA, the proof of this is the request for the OBF loan, which happens only after the customer was presented the higher efficiency products and payback numbers. The PA adds that in the absence of the OBF loan, the customer would have to look for their own funding with interest, possibly postponing the project or choosing a less efficient but lower cost option. Therefore, the program effectively influenced the customer. For this type of projects, there are no loan available without incentives, so both incentive and loan are necessary for the project to work. We disagree with the PA's conclusion above. From the email chain between the PA and the customer, it does not appear that the customer requested OBF. The PA presented project financial analysis along with the availability of OBF funds at the same time. Given the short payback without incentives, and the fact that customer was already considering the same project, it appears that the 0% financing on its own (i.e. without the rebate).</p>	Program influence		

CPUC Staff Recommendation Definitions	
CPUC Staff Recommendation	Definition
Application ready to proceed without exception	The PA will continue to upload application documents to the CMPA directory through the implementation and claims phases of the project. The PA may proceed to approve the project without waiting for CPUC Staff response. A project is waived from further review at the post-installation stage by CPUC staff, but the PA is responsible for post-installation (IR) review. There will not be conditional approval.
Application ready to proceed with exception(s), as noted	<p>The PA must make revisions or changes as noted in CPUC Staff's review comments before signed agreement with customer. The PA will continue to upload application documents to the CMPA directory through the implementation and claims phases of the project. The PA may proceed to approve the project without waiting for CPUC Staff response. If CPUC Staff decides to perform IR review of a project, CPUC Staff will notify the PA. The scope will be limited to determine if the project was carried out consistent with the application and notes provided during pre-installation review and to obtain information pertaining to whether the eligibility criteria or metrics should be revised.</p> <p>Unless the scope of work presented in project application has changed at IR review, the project will not be reviewed again in the areas specified below. Scope change is defined by substantial changes include significant modifications to the proposed equipment type, size, quantity, configuration, the expansion of a project to include additional retrofits, or the splitting of a project into multiple phases.</p> <p>The following areas will not be reviewed again by CPUC Staff:</p> <ul style="list-style-type: none"> <li>• Calculation Tool</li> <li>• Calculation Methodology</li> <li>• M&amp;V Plan</li> <li>• Baseline</li> <li>• Eligibility</li> <li>• EUL/RUL</li> <li>• Measure Type</li> <li>• Program Influence</li> </ul>
Application rejected.	<p>The application is rejected as submitted. The PA shall promptly inform the applicant as to the reasons why the project was rejected and the specific recommendations for the conditions under which the project would be approved. CPUC Staff shall provide the reasons for the rejection or request for modification, including each basis as to why the project is rejected, or modification is requested. In addition, CPUC Staff shall provide specific recommendations for the conditions under which the project would be approved.</p> <p>If any party to the project is unsatisfied with the Commission's directions for the project, a dispute resolution process may be initiated by that party. The Commission shall adopt rules for the conduct of the dispute resolution process. – Section 381.2 (g) (3) (F)</p>