

## CPUC Staff Ex Ante Review

CPUC Staff Project ID Number	PGE_22_C_C_833_PRJ - 03621554_Process Distribution
CMPA Directory Link	<a href="https://deeresources.info/cmpa/projects/20680">https://deeresources.info/cmpa/projects/20680</a>
PA	PGE
PA Application ID	PRJ - 03621554
PA Application Executed Date	
PA Program ID	PGE210911
PA Program Name	On-Bill Financing Alternative Pathway
PA Program Year	
Date of CPUC Staff Review:	1/10/2023
PA CMPA Upload Dates Included in this review:	
First PA Upload	11/29/2022
Second PA Upload	N/A
Third PA Upload	N/A
Fourth PA Upload	
Fifth PA Upload	
Sixth PA Upload	
Seventh PA Upload	
Eighth PA Upload	
PA Measure Description(s):	
Measure 1	PROCESS RETROFITNEW-PUMPS-REPAIR
Measure 2	
Measure 3	
Measure 4	
Measure 5	
Measure 6	
Measure 7	
Measure 8	
Measure 9	
Measure 10	
PA Project Description:	The customer will be installing 80 NEMA B Premium Efficiency Motors The energy savings for this measure is based on the difference in nominal motor efficiency between the existing standard efficiency motors versus the new premium efficiency motor counterparts A higher motor efficiency for the premium efficiency motors will result in a higher overall plant efficiency OPE for the pumping system which in turn results in lower energy usage and thus energycost savings
Bi-Monthly Upload kW Demand Reduction	150.0
Bi-Monthly Upload Annual kWh Impacts	1,144,734.0
Bi-Monthly Upload Therm Impacts	0.0
PA Proposed Incentive \$ (to Customer)	\$0.00
Project Documentation kW Demand Reduction	149.9
Project Documentation Annual kWh Impacts	1,144,734.0
Project Documentation Annual Therm Impacts	0.0
Project Documentation Incentive \$ (to Customer)	0.0
CPUC Staff Primary Reviewer Name	
CPUC Staff Primary Reviewer Firm	Verdant Associates
CPUC Staff Review Supervisor Name	
CPUC Staff Review Supervisor Firm	Quantum Energy Analytics
PA Primary Reviewer Name	
PA Primary Reviewer Firm	
CPUC Staff Project Manager	
CPUC Staff Policy Authorization (as needed)	
CPUC Staff Recommendation:	Advisory
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
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1	<p>This project was originally part of the On-Bill Financing Alternative Pathway (OBF-AP) program but was later screened out of the OBF-AP program. PG&amp;E submitted this project as a regular custom project for custom project review (CPR) in November of 2022, over two years after the OBF loan was approved in August of 2019. The PA did not clearly state whether this project has already been implemented or not (most OBF projects are implemented after the loan approval but this project appears to have been delayed due to COVID). The PA also did not provide any documentation that shows PG&amp;E's approval for an extended implementation time frame.</p> <p>The savings used for the OBF loan did not follow custom rules. However, according to PG&amp;E, final savings will be updated prior to submitting a claim for this project. Given this project was part of the OBF-AP program and does not have any cash incentives, we are issuing an advisory review but requests the PA to:</p> <p>1) update the process for future projects that are screened out of the OBF-AP program via the EO-2020-06, and  2) update savings for this project per recommendations provided in this disposition before submitting a claim.</p> <p>Please note that the customer payback and loan terms are tied to savings and the PA should take proper steps to inform the customer about the correct payback and savings.</p>	CPUC Policy		
2	<p>The project is a Normal Replacement (NR) project but the savings are calculated using the existing conditions baseline. Per the Statewide Custom Project Guidance Document, NR projects should use a standard practice baseline.</p> <p>Current standards for electric motors are listed in 10 CFR 431.25: "Starting on June 1, 2016, each NEMA Design A motor, NEMA Design B motor, and IEC Design N motor that is an electric motor meeting the criteria in paragraph (g) of this section and with a power rating from 1 horsepower through 500 horsepower, but excluding fire pump electric motors, manufactured (alone or as a component of another piece of equipment) shall have a nominal full-load efficiency of not less than [Table 5]".</p> <p>The nominal full load efficiencies listed in Table 5 for the motors included in this project are above existing conditions. Updating the baseline full load efficiencies will result in much lower savings. The PA is required to use the correct standard practice baseline per 10 CFR 431.25.</p>	Baseline		
3	<p>The PA did not provide a complete package as required by CPR. Several key information such as incremental measure costs, non-IOU fuel source analysis, proof of PPP payments and installation status are missing. As stated above, please use the EO-2020-06 to propose how this issue will be resolved for future custom projects that are screened out of the OBF-AP program.</p>	Missing required information		
4	<p>Program influence was not documented properly. Please note that for all custom projects, the project developer is required to collect information from the customer and provide written documentation (a narrative) with supporting material (evidence) to demonstrate program influence. The supporting evidence documents should demonstrate interactions with the customer that show program developer providing input that is accepted by the customer and results in the customer changing their plans.</p> <p>Please use the EO-2020-06 to document how program influence will be documented for future custom projects that are screened out of the OBF-AP program.</p>	Program influence		
5	<p>Several key inputs/assumptions (hours of use adjustments, existing motor kW, etc.) used to estimate savings are hard coded. According to the Statewide Custom Project Guidance Document, all custom projects must include documentation that clearly and concisely describes the calculation methodology proposed to be used to estimate the expected energy savings. Where custom spreadsheet analysis is used to estimate the energy savings impacts, the calculation methodology must be separately presented and summarized in a single place such as a clearly labeled, dedicated tab in a spreadsheet workbook or a dedicated section of a feasibility report.</p> <p>Neither calculations, nor the project feasibility study provide supporting references for these assumptions.</p>	Analysis assumptions		
6	<p>For future projects that are screened out of the OBF-AP program, please document reasons why they were screened out of the OBF-AP program.</p>	Other 1		
7	<p>The project appears to have a prior phase that involved replacements of booster pumps. It is not clear to us whether the prior phase was included in the OBF-AP program or not. Our review indicates that it was not submitted for CPR so we are not clear why the prior phase of the project was a good fit for the OBF-AP program model.</p>	Other 2		



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>
Advisory.	The PA is not formally required to follow instructions or recommendations given in an Advisory review. However, issues found will affect ESPI scoring and may come up again in Ex-Post review.