

CPUC Staff Ex Ante Review

CPUC Staff Project ID Number	PGE_22_C_1_825_Site Specific Comprehensive - 38413_NMEC
CMPA Directory Link	https://deeresources.info/cmpa/projects/20662
PA	PGE
PA Application ID	Site Specific Comprehensive - 38413
PA Application Executed Date	
PA Program ID	INWBISO20
PA Program Name	Cascade - INDUSTRIAL SYSTEMS OPTIMIZATION PROGRAM ISOP - Whole Building
PA Program Year	
Date of CPUC Staff Review:	1/31/2023
PA CMPA Upload Dates Included in this review:	
First PA Upload	11/28/2022
Second PA Upload	12/20/2022
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	NMEC Whole Building
Measure 2	
Measure 3	
Measure 4	
Measure 5	
Measure 6	
Measure 7	
Measure 8	
Measure 9	
Measure 10	
PA Project Description:	Site-level NMEC project resulting from identification and implementation of refrigeration system BRO measures at the 1888000sf refrigerated storage and distribution facility
Bi-Monthly Upload kW Demand Reduction	248.5
Bi-Monthly Upload Annual kWh Impacts	3,349,277.0
Bi-Monthly Upload Therm Impacts	0.0
PA Proposed Incentive \$ (to Customer)	\$82,533.00
Project Documentation kW Demand Reduction	167.1
Project Documentation Annual kWh Impacts	2,252,179.0
Project Documentation Therm Impacts	0.0
Project Documentation Incentive \$ (to Customer)	\$114,541.00
CPUC Staff Primary Reviewer Name	
CPUC Staff Primary Reviewer Firm	DNV
CPUC Staff Review Supervisor Name	
CPUC Staff Review Supervisor Firm	Quantum
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
1	<p>We found several discrepancies in the project files. Here are some examples:</p> <ul style="list-style-type: none"> - Reported savings vary between the bi-monthly upload, project feasibility study (PFS), calculations and the M&V report. We are unable to determine which set of values represent the final set of ex ante values. - The baseline usage provided in the M&V report does not match the baseline usage calculated based on the regression model using consumption data - Measures appears to have been revised during the project development process but most project files were not updated. For example, the VFD compressor measure has been removed from the scope, but the PFS and reported savings fraction still include this measure <p>These discrepancies make the project scope unclear and, as a result, difficult to review. These issues also result in lack of confidence in reported savings fractions and fractional savings uncertainty for the project. This is a recurring issue for projects implemented under the ISOP program (prior examples include CPR projects 735 and 740). We request the PA to review and revise the internal/technical review process for this program to ensure that these discrepancies are corrected for future projects.</p>	Project scope unclear	<p>Cascade Response: The M&V report was an initial report that was sent to the customer. Savings were further refined after that report was sent out. The PFS has the final reported savings. The savings values in the PFS are aligned with the values in the "PRE SavingsCalcs" Excel workbook. The VFD compressor measure was still in scope when the PFS was submitted; it was removed from scope after PFS submission. The Final Savings Report (FSR) will reflect an updated list of measures that were implemented. Our QC process will be revised for future submissions to ensure that the source of savings are clear.</p>	
2	<p>The scope of the "Repair and Utilize High Speed Doors" is unclear. According to the project files, the site has about 42 high-speed roll up doors separating various dock, cooler and freezer spaces. Nearly all of the doors in the cooler space are disabled or broken while most of the freezer space doors remain functional. The PA then categorized this measure as a normal replacement measure with 20 years of EUL. If the facility already utilizes high speed doors but they are not fully functional, then repairing the doors to enable them to function properly is a BRO measure, with 3 years of EUL. Please make sure projects implemented under this program clearly explain the scope of each measure. This is a recurring issue for projects implemented under this program. This is also a recurring issue for PGE's NMEC projects (e.g., CPR 778, CPR 803) in general, where the scope of each measure (including details of installed equipment, existing operation, etc.) are not provided in the project package.</p>	Measure type	<p>Cascade Response: Under the "Proposed Equipment/System Operation" section of EEM 10, the PFS states that "Cascade recommends beginning the door replacement efforts with 3 doors on the back side of receiving." While many doors were identified onsite that needed repair/replacement, this EEM only includes the (3) doors that will be replaced, not repaired. Therefore, the Normal Replacement measure application type is appropriate. Measure scope will be made more clear in future reports.</p>	
3	<p>Please update the project level EUL to 1) exclude the compressor measure, 2) use 3 years for the Repair and Utilize High Speed Doors measure, and 3) use the host RUL instead of EUL for the addition of VFDs to the evaporators.</p>	EUL/RUL	<p>Cascade Response: The project-level EUL will be updated in the FSR by using the host RUL instead of the EUL for the evaporator VFD measure.</p>	
4	<p>There is a purchase order that shows the customer has purchased three speed doors on 6/1/2022. We do not allow equipment procurement prior to project approval without the lead-time procurement exception granted by the PA. It does not appear that the PA authorized this purchase.</p>	CPUC Policy	<p>Cascade Response: Equipment procurement prior to project approval is allowed under the ISOP NMEC program. Section 2.3.1 of the ISOP Program-Level NMEC M&V Plan states "customers are not required to delay EEM implementation until PG&E application approval; implementation may occur any time following the conclusion of the baseline period."</p>	
5	<p>It appears that many of these issues are direct results of the program design and implementation approach. We have requested the PA to work with CPUC staff to resolve these issues in prior dispositions (see disposition for project 740) but they have not been resolved. We encourage the PA to work with CPUC staff to resolve these issues.</p>	Did not follow previous CPUC guidance		
6	<p>We calculated the savings fraction for this project to be 6% which is below the 10% threshold as recommended by the NMEC rulebook. Savings below the recommended threshold significantly increase the savings uncertainty. We recommend quantifying FSU at the estimated level of savings.</p>	Analysis assumptions	<p>Cascade Response: The Final Savings Report (FSR) will include an FSU analysis.</p>	
7	<p>The project engineering estimates include kW savings but an hourly model was not provided for this project. An hourly model is required for kW savings.</p>	Calculation method	<p>Cascade Response: Section 3.5.2 of the ISOP Program-Level NMEC M&V Plan stipulates that alternate demand savings calculations may be used when hourly models fail. Because hourly data is not available for all independent variables, demand savings are calculated using a calculator approved for use in Strategic Energy Management (SEM) programs. The calculator, included in the project files, applies standardized load shapes based on the specified facility type to estimate demand reduction based on calculated energy savings.</p>	

Note or Instruction Number:	CPUC Staff Notes or Instructions:	Instruction Category	PA Response	CPUC Staff Response
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1	Project baseline period is from 11/18/2020 to 11/17/2021. Two measures were implemented in November 2021, right after the end of the baseline period. Please note that the remaining of the measures will need to be implemented (i.e., fully installed and commissioned) within 18 months of the end of the baseline period. According to the NMEC rulebook, if the gap between the end of the baseline period and the completion of the project lasts more than 18 months, the project must be re-baselined. Please note that prior projects (e.g., CPR 740) submitted under this program have similar issues.	CPUC Policy	Cascade Response: Noted.	
2	Main PG&E meter [REDACTED] shows PPP payments. This meter was used for NMEC analysis. There are two additional net generation output meters at the site for two wind turbines [REDACTED], non-NEM eligible, and [REDACTED], NEM eligible). It is not clear why the two meters associated with wind turbines are showing large amount energy being delivered to them. If these values are showing the energy generated by (not delivered to) the turbines, then the non-IOU fuel source analysis should include them this as generated energy.	Self generation	Cascade Response: Delivered may be greater than received on those meters due to reversed wiring or nomenclature. PG&E does not use either of those meters for billing. The main PG&E meter (meter [REDACTED]) is the only meter that is affected by the energy savings and is therefore the only meter that should be used in the non-IOU analysis.	

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"> • Calculation Tool • Calculation Methodology • M&V Plan • Baseline • Eligibility • EUL/RUL • Measure Type • Program Influence
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.