

Phase I Ex Ante Review Findings

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IOU	PG&E
Application ID	IRCx 050
Application Date	11/14/2012
Program ID	PG&E 2228
Program Name	Industrial Recommissioning Program - IRCx (3P Nexant)
Program Year	2013
Itron Project ID	X373
IOU Ex Ante Savings Date	7/15/2013
ED Measure Name	Steam valve replacement
Project Description	Replacing steam let down valve with an automated valve to reduce excess steam vented to atmosphere
Date of ED Review(s)	9/3/2013
Primary Reviewer / Firm	Sepideh Shahinfard/ Itron
Review Supervisor / Firm	Joseph Ball/ Itron
ED Project Manager	██████████ / California Public Utilities Commission, Energy Division
ED Policy Authorization (as needed)	
Type of Review (Desk, On-site, Full M&V, Tool)	Desk Review
ED Recommendation	Project is not approved because replacing the existing nonfunctioning valves with an automated valve using in-situ baseline is inappropriate. The correct baseline is a fully functioning existing valves that can be fully closed. Only incremental savings from automation might be eligible for incentives.

Measure Description

The refinery project involves replacing the steam let down valves in order to reduce the amount of steam currently being vented to atmosphere. Because the existing let down valves are not able to fully close, they allow an uncontrolled, excessive quantity of 600 psig steam to be let down to 150 psig steam.

Summary of Review

The Investor-Owned-Utility (IOU) submitted the following documents for Data Request (DR) 6859 on 6/17/2013 for this Phase I review:

- Transmittal Memorandum for DR 6859;
- Project participation agreement; and
- Savings calculations spreadsheet.

The project involves replacing two steam let down valves at a steam production plant to reduce the amount of steam currently being vented to the atmosphere. The existing valves do not fully close and let down an excessive amount of 600 psig steam down to 150 psig steam. The project proposes to replace the existing valves with new automated flow control valves to reduce the excess steam let down rate. This will reduce the amount of 600 psig steam being let down to 150 psig steam, which will reduce the amount of 150 psig steam being vented. This will reduce the production of 600 psig steam and therefore reduce the gas usage of the steam generation unit.

Replacing the existing nonfunctioning valves should use the ROB baseline. If automation of the proposed valve has any advantage in reducing the energy use as compared to fully functioning existing valves, incremental savings should be demonstrated. It does not seem that amount of steam being vented would qualify toward savings because fully functioning existing valves should not result in venting of steam.

The project cost is currently estimated at \$29,000 for the proposed equipment. The incremental cost will be much lower than \$29,000 and the payback less than a year. Those parameters would also make this project ineligible as customers are expected to spend up to \$25,000 for RCx measures that payback in less than a year.

Review Conclusion

The project is not approved. Please resubmit the project with the ROB baseline and new project cost documentation to substantiate project eligibility.