

CPUC Staff Ex Ante Review

CPUC Staff Project ID Number	SDGE_22_T_C_808	NMEC
CMPA Directory Link	[Redacted]	
PA	SDGE	
PA Application ID	[Redacted]	
PA Application Executed Date		
PA Program ID	SDGE4004	
PA Program Name	Comprehensive Energy Management Solutions CEMS	
PA Program Year		
Date of CPUC Staff Review:	12/7/2022	
PA CMPA Upload Dates Included in this review:		
First PA Upload	8/31/2022	
Second PA Upload	10/17/2022	
Third PA Upload	11/7/2022	
Fourth PA Upload		
Fifth PA Upload		
Sixth PA Upload		
Seventh PA Upload		
Eighth PA Upload		
PA Measure Description(s):		
Measure 1	Whole Facility - NMEC - Facility Improvements 1st Tier - Initial Savings	
Measure 2		
Measure 3		
Measure 4		
Measure 5		
Measure 6		
Measure 7		
Measure 8		
Measure 9		
Measure 10		
PA Project Description:	NMEC Refrigeration Upgrade	
Bi-Monthly Upload kW Demand Reduction	[Redacted]	
Bi-Monthly Upload Annual kWh Impacts	[Redacted]	
Bi-Monthly Upload Therm Impacts	[Redacted]	
PA Proposed Incentive \$ (to Customer)	[Redacted]	
Project Documentation kW Demand Reduction	[Redacted]	
Project Documentation Annual kWh Impacts	[Redacted]	
Project Documentation Annual Therm Impacts	[Redacted]	
Project Documentation Incentive \$ (to Customer)	[Redacted]	
CPUC Staff Primary Reviewer Name	Tom Doherty, Max Ma, Jason Pike	
CPUC Staff Primary Reviewer Firm	DNV	
CPUC Staff Review Supervisor Name	Sepideh Shahinfard	
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
1	According to the PA "all gas savings for this project are the result of interactive effects. These savings are not part of the project's savings claims and are used for calculating the customer's utility cost savings only." We request the PA to include gas interactive impacts in the final trued up savings. For NMEC projects DEER or workpaper values can be used to estimate interactive impacts when modeling is not feasible.	Other 1		
2	The PA did not provide sufficient program influence documentation as required by the Resolution E-5115. The program influence narrative does not provide a complete project development timeline and a description of the customer decision making process. Our review indicates that these projects were identified as part of the CoolSave program in PG&E territory. Two stores were piloted by the CoolSave program in the PG&E territory. Then a larger group of stores in PG&E territory were enrolled in the CoolSave program along with a group of stores (including this project) in SDG&E territory under a different program (i.e. Comprehensive Energy Management Solutions program CEMS). The sequence of events and the timeline are not clearly laid out in the program influence narrative and the program history is unclear to us. The customer's decision-making process and timeline are also unclear. After reviewing the program influence narrative we do not understand how the customer made the decision to enroll various stores in each program and how each program impacted the customer decision. The program influence evidence provided by the PA is also insufficient and consists of one email chain that was used to introduce the CoolSave program to the customer for a pilot that appears to be in the PG&E territory. Please note that the project developer and the PA are required to provide a narrative that includes 1) a complete project development timeline that clearly shows when different store locations (including two PG&E pilot stores other stores in PG&E territory and various stores in SDG&E territory) were considered for each program 2) a description of the customer decision process (including the decision on how to enroll various stores in the program) 3) customer requirements that impacts the decision process and 4) customer practices for making upgrades for the portfolio of stores including this project. The project developer and the PA are also required to provide evidence (emails meeting notes call logs and customer upgrade plans) to support the narrative. This project pays back in less than 2 years without incentives which is within the customer internal payback threshold of 5 years. It also appears that the customer is aware of the display case door measures and is regularly implementing this measure at a number of stores each year (refer to https://www. [Redacted] com/wp-content/uploads/2022/08/ [Redacted] Co-2022-ESG-Report.pdf for additional details. According to this report in 2021 the customer continued placing glass doors on open refrigerated cases in their stores saving on average [Redacted] kWh of electricity and [Redacted] therms of natural gas per store annually). Note that most savings at this store comes from installing display case doors and the project would not have been qualified for NMEC absent of this measure (savings fraction would be 3% without the display case door measure). Given these and the fact that the PA did not provide sufficient program influence documentation to explain customer's upgrade practices and how the program impacted these practices we are unable to assess whether the program more likely than not caused the customer to implement a more costly more efficient equipment or process than they would have otherwise in absence of the program intervention.	Program influence		

3	<p>EEM-2 (Floating Suction Pressure Control) is defined as a BRO measure in the PFS section 2.2: "for the Floating Suction Pressure Controls. KW Engineering noted that an existing reset sequence was not functioning due to a discrepancy between the floating suction pressure threshold setpoint and the case temperature setpoint referenced by the floating suction pressure sequence. We recommended changing the floating suction pressure reference threshold to match the case temperature setpoints." The cost documentation for this measure also shows low costs that are associated with reprogramming an existing controller.</p> <p>It is not clear to us why section 4 of the same document categorizes this measure as AOE but it appears that the text in this section comes from the SWCR008-03 measure package. If that's the case the measure package does not apply to this project. Savings and EUL are currently estimated assuming this is an AOE measure and are based on the measure package values.</p> <p>Given this is a BRO measure the PA is required to update savings-weighted EUL for this project to use 3 years.</p>	Measure type		
4	<p>EEM-1 (Install Doors on Open Cases) is using deemed saving values for adding doors to medium temperature cases without LEDs. According to the PFS all display cases have been retrofitted with LED lighting. Please update these values as it directly impacts the interactive gas savings.</p> <p>Additionally the site is located in climate zone 10 but EEM 1 and EEM 2 used deemed savings for climate zone 9 and climate zone 8. Please correct these assumptions.</p>	Analysis assumptions		

Note or Instruction Number:	CPUC Staff Notes or Instructions:	Instruction Category	PA Response	ED Resolution
1	Next quarterly upload needs to be updated to include final savings (kWh and therms) and the updated incentive amount.	Other 1		

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 • EUI/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.