

CPUC Staff Ex Ante Review

CPUC Staff Project ID Number	SDGE 22 T C 817 [REDACTED] Process Distribution
CMPA Directory Link	[REDACTED]
PA	[REDACTED]
PA Application ID	11140746
PA Application Executed Date	
PA Program ID	SDGE4012
PA Program Name	Federal Customer Services Program
PA Program Year	
Date of CPUC Staff Review:	1/6/2022
PA CMPA Upload Dates Included in this review:	
First PA Upload	10/4/2022
Second PA Upload	11/1/2022
Third PA Upload	11/30/2022
Fourth PA Upload	
Fifth PA Upload	
Sixth PA Upload	
Seventh PA Upload	
Eighth PA Upload	
PA Measure Description(s):	
Measure 1	ProcDist - AirDist - AirComp - Blower - NR
Measure 2	
Measure 3	
Measure 4	
Measure 5	
Measure 6	
Measure 7	
Measure 8	
Measure 9	
Measure 10	
PA Project Description:	airside equipment upgrades
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	Ben Cheah
CPUC Staff Primary Reviewer Firm	Verdant
CPUC Staff Review Supervisor Name	Sepideh Shahinfard
CPUC Staff Review Supervisor Firm	Qunatum Energy Analytics
PA Primary Reviewer Name	
PA Primary Reviewer Firm	
CPUC Staff Project Manager	
CPUC Staff Policy Authorization (as needed)	
CPUC Staff Recommendation:	Application rejected.
For rejection, action required:	Complete Resubmittal Required (SB1131 timeline reset)
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>The PA did not demonstrate that the program, more like than not, has influenced the customer decision making process as required by CPUC Resolution E-5115.</p> <p>It appears that the customer consultant (AECOM) is the single source of responsibility for developing the entire project including identifying measures, design, and construction of the project. AECOM (under a multi-phased Energy Savings Performance Contract with the customer) performed an audit, identified measures, estimated savings, and provided a feasibility study to the customer. The PA neither suggested alternative designs or products that are not already under consideration by the customer consultant, nor provided analysis of alternatives to demonstrate how the customer requirements can be met or exceeded by selecting an alternative.</p> <p>As part of this contract, AECOM presented this project to the customer for approval without SDG&E incentives. Given the financial decision-making process for the customer did not include ratepayer-funded incentives, and the Energy Savings Performance Contract requires customer's savings to exceed aggregate annual payments to AECOM, the availability of the ratepayer-funded financial support is not the deciding factor for the customer.</p> <p>Note that according to the project documentation, AECOM is the recipient of the incentives. AECOM has been doing energy savings projects for this customer for several years and has received incentives for past projects. The project did not demonstrate the availability of additional ratepayer funded incentives would cause the customer to implement a more costly, more efficient project than they were otherwise planning to implement absent the program intervention.</p>	Program influence		
2	<p>The project is a Normal Replacement (NR) project, but the PA did not follow the Standard Practice Baseline determination process as required by CPUC Resolution E-4939.</p> <p>For EEM-1 (make-up air unit and exhaust fan upgrades), the PA used a minimum requirement of two speed fan motors to estimate the baseline usage, referencing UFC (Unified Facilities Criteria) Section 3-410-01 and ASHRAE 90.1-2019. UFC 3-410-01 requires following mandatory requirements of the Controls section of the ANSI/ASHRAE/ESNA Standard 90.1 for HVAC control requirements. Then the PA used the ASHRAE 90.1-2019 Fan Control section that describes fan control requirements for DX cooling, chilled-water and evaporation cooling. It does not appear that this section discusses control requirements for make-up air units and exhaust fans.</p> <p>The PA should have followed the Standard Practice Selection Process from the CPUC Resolution E-4939 to establish the correct standard practice for this customer. This process includes identify the options that the customer considers functionally, technically, and economically feasible to implement, including any known options that are presently and commonly implemented. Our review indicates that this customer has been doing similar upgrades in other buildings and is already familiar with the energy savings benefit of the proposed measure.</p> <p>For EEM-2 the PA states that the lowest cost option for this customer is to operate the existing equipment and repair as needed. It is not clear why the PA assumed that the lowest cost option can be used to establish the standard practice.</p> <p>The CPUC Resolution E-4939 lays out a step-by-step process for standard practice baseline determination. The PA conclusion and standard practice assumptions (i.e., repair/maintain existing equipment under NR and the use of lowest cost option) are not appropriate based on this step-by-step process.</p> <p>For future projects, please follow this step-by-step process to determine the standard practice baseline. The project documentation should clearly document the outcome of each step and the final standard practice baseline conclusion.</p>	Baseline		
3	<p>The PA bi-monthly upload (BMU) includes several errors. According to the BMU, this project only includes one measure with [redacted] kW and [redacted] kWh of savings and \$ [redacted] of incentives. The Project Feasibility Study (PFS) includes two measures with [redacted] kW, [redacted] kWh, and [redacted] therms of savings. The proposed incentive amount per PFS is \$ [redacted].</p> <p>We reviewed this project using the PFS scope, savings and incentives. For future projects, please ensure that the BMU includes final scope, savings and incentives.</p>	Other 1		

Note or Instruction Number:	CPUC Staff Notes or Instructions:	Instruction Category	PA Response	ED Resolution
1	It appears that this customer has an onsite generation plant that provides steam and/or electricity to some of the buildings. This is not clearly discussed in the project package.	Self generation		

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.