

**Joint Utilities**

**Technical Resource Manual Management Plan**

**June 1, 2015**

## **Introduction**

As directed in the February 26, 2015 Order Adopting Regulatory Policy Framework and Implementation Plan (the “REV Track One Policy Order”) in the Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision (the “REV Proceeding” or “REV”) issued by the New York State Public Service Commission (“Commission”),<sup>1</sup> Central Hudson Gas and Electric Corporation, Consolidated Edison Company of New York, Inc., National Fuel Gas Distribution Corporation, New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, The Brooklyn Union Gas Company d/b/a National Grid NY and KeySpan Gas East Corporation d/b/a National Grid (collectively “National Grid”), Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation (collectively the “Joint Utilities”) hereby submit this Technical Resource Manual (“TRM”) Management Plan (the “Plan”).

The REV Track One Policy Order states:

*The utilities will work collectively to support the maintenance of a New York State TRM, while allowing for utility territory specific inputs, as appropriate. The Joint Utilities will file a TRM Management Plan by no later than June 1, 2015. Upon filing this plan, the utilities will assume responsibility for the TRM from Staff. This plan should include a process that ensures each utility’s and NYSERDA’s input is considered, all changes to the TRM are transparent to Staff and stakeholders, and an updated TRM will be filed annually in accordance with the schedule discussed below. In addition the TRM Management Plan should include any plans for the use of contractor support, including the expected schedule for obtaining such support. Staff will retain a monitoring and auditing role.<sup>2</sup>*

Accordingly, the Joint Utilities’ representatives, with the participation of New York State Department of Public Service Staff (“Staff”), the New York State Energy Research and Development Authority (“NYSERDA”), and Public Service Enterprise Group (“PSEG”)/Long

---

<sup>1</sup> Case 14-M-0101 – *Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision*, Order Adopting Regulatory Policy Framework and Implementation Plan (issued and effective February 26, 2015) (“REV Track One Policy Order”).

<sup>2</sup> *Id.*, Appendix C, at p. 2. However, the schedule referenced therein is described in Clean Energy Guidance Document CE-01, Utility Energy Efficiency Program Cycle, issued by the Office of Clean Energy of the Department of Public Service on May 1, 2015.

Island Power Authority (“LIPA”) began the TRM Transition Subcommittee with a kick-off meeting on April 1, 2015. Representatives from the Joint Utilities were present at the meeting.

### **Purpose**

The purpose of the TRM Transition Subcommittee (a “form and fold” subcommittee of the E<sup>2</sup> Working Group<sup>3</sup>) is to prepare a plan that will facilitate an effective transition, from Staff to the Joint Utilities, of the functional responsibility for maintaining the TRM. As part of this transition, the TRM Transition Subcommittee provided input and the Joint Utilities designed the TRM Management Plan to provide the foundational venue for utilities to work together to maintain and update the TRM prospectively.

The primary purpose of the TRM is to provide a standardized, fair and transparent approach for measuring gross program energy savings. To do so, the TRM provides standardized energy savings calculations and assumptions at the measure level for estimating energy and demand savings.<sup>4</sup> The Plan presented herein addresses the methodology that the Joint Utilities will undertake to maintain the TRM.

### **Overview**

The Plan provides transitional and long-term continuous improvement practices the Joint Utilities will employ in assuming the responsibility from Staff to prospectively maintain the TRM.

The Plan generally describes the overall process used to revise existing measures, where applicable, and add new measures to the TRM. This process accommodates a variety of inputs, including but not limited to: (1) impact evaluation findings or focused Measurement and Verification (“M&V”) analyses relevant to savings algorithms; (2) developments or enhancements in technology; and (3) updates to industry standards or energy conservation codes.

The TRM will continue to evolve over time and will incorporate inputs which are currently not known. The complexity of some of the inputs may require further analysis in order

---

<sup>3</sup> The E<sup>2</sup> Working Group was established in February 2014 and operates in the context of broader Commission proceedings. The E<sup>2</sup> Working Group consists of Staff and EEPs program administrators and meetings are open to ex-officio members and parties in Cases 07-M-0548 and 15-M-0252. The objective of the E<sup>2</sup> Working Group is to inform Staff, and ultimately the Commission, in regard to oversight of customer-funded energy efficiency programs and the development of technical tools and resources that may inform future energy efficiency program cycles.

<sup>4</sup> Additionally, the TRM includes measure-specific effective useful lifetimes.

to be understood and appropriately integrated into the TRM. Additionally, there may be a need to engage specialized industry expertise to aid in such understanding and integration.

Historically the TRM has been an essential tool used by New York State energy efficiency program administrators to perform cost-effectiveness screening analyses.<sup>5</sup> Future revisions to the TRM could be considered to support the development of new or different cost-effectiveness screening approaches. The TRM Transition Subcommittee envisions that these types of changes would be accomplished through the TRM revision process, which is described in the Work Plan section of the Plan under Initial Work.

In the future, utility program administrators will continue to plan and conduct Evaluation, Measurement and Verification (“EM&V”) studies or focused M&V analyses at any of the following levels: technology or measure level, program level, portfolio level, and/or statewide level. Program planning will be informed by completed study and analysis work. TRM revisions will make use of relevant EM&V impact study findings or detailed M&V analyses, in accordance with Clean Energy Guidance Document CE-01, Utility Energy Efficiency Program Cycle, issued by the Office of Clean Energy of the Department of Public Service on May 1, 2015.

### **Organizational Structure**

A permanent TRM Management Committee (“TRM MC”) will be established. To create the TRM MC, each utility will provide one lead representative who will participate in on-going TRM MC activities. Representation on the TRM MC from the major utilities, consisting of Central Hudson Gas and Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, The Brooklyn Union Gas Company d/b/a National Grid NY and KeySpan Gas East Corporation d/b/a National Grid (collectively “National Grid”), Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation (the “major utilities”) is required. Representation on the TRM MC from National Fuel Gas Distribution Corporation, Corning Natural Gas Corporation and St. Lawrence Gas Company, Inc., is strongly encouraged. Each

---

<sup>5</sup>See REV Track One Policy Order, Appendix C, at p. 2; where the Commission notes that the total resource cost test will be retained as the primary benefit cost analysis tool for energy efficiency until a new Benefit Cost Analysis (BCA) framework is in place.

lead representative will be responsible for inviting other company representatives to participate in on-going TRM MC meetings as appropriate.

The TRM MC will ensure NYSERDA has input and that all changes made to the TRM are transparent to both Staff and stakeholders. The TRM MC will be responsible for updating the TRM, and adding new measures to the TRM, on an as-needed basis. The Joint Utilities will assume responsibility for updating and maintaining the TRM from Staff, contemporaneously with the filing of this TRM Management Plan.

Initially, two co-chairs from the TRM MC will be selected utilizing a consensus process to serve an initial term of twelve months. The co-chairs will be responsible for establishing the monthly meeting schedule and managing TRM MC activities. Additional meetings will be scheduled on an as needed basis. Through regular meetings of TRM MC, and through work contributions from “form and fold” subcommittees of the E<sup>2</sup> Working Group, the TRM will be maintained and updated as needed.

### **Transitional Expectations**

Per the REV Track One Policy Order, the Joint Utilities will assume responsibility from Staff for updating and maintaining the TRM, contemporaneously with the filing of this TRM Management Plan.<sup>6</sup> Key to this transition is a Staff “hand-off” of Version 3 of the TRM, which consists of content from: 1) the December 10, 2014 Version 2 of the TRM and 2) compiled revisions completed since December 10, 2014. Version 3 of the TRM, also known as the *New York Standard Approach for Estimating Energy Savings from Energy Efficiency Programs- Residential, Multi-family, and Commercial/Industrial Measures, Version 3*, will be provided to the Joint Utilities by Staff in Microsoft Word 2010 and Adobe PDF file formats. Supporting documentation, as listed in Appendix A to this Plan, will also be provided to the Joint Utilities by Staff.<sup>7</sup>

---

<sup>6</sup> The Joint Utilities understand that Staff is in the process of making revisions to Version 2 of the TRM. The Joint Utilities anticipate that Staff will complete Version 3 of the TRM by June 1, 2015.

<sup>7</sup> It should be noted that Staff developed and provided Appendix A to the Joint Utilities for use in the TRM Management Plan.

## **TRM Management Committee Tasks**

### **I. Cyclically Scheduled Tasks**

The TRM MC will meet, prioritize workloads, and may create its own “form and fold” subcommittees to undertake additional work needed to enhance the TRM. The primary function of the TRM MC will be to issue annual TRM updates in accordance with Clean Energy Guidance Document CE-01, Utility Energy Efficiency Program Cycle, issued by the Office of Clean Energy of the Department of Public Service on May 1, 2015. The update will incorporate relevant information from EM&V studies, M&V analyses or technology changes that result in potential changes to savings algorithms and that have been adopted by the TRM MC. The TRM and necessary supporting documentation will be posted for transparency purposes on the Department of Public Service website.

The TRM MC will schedule committee meetings which will be communicated to all TRM MC participants. Workload prioritization will be discussed as part of recurring TRM MC meetings. Emerging technologies or ad hoc work may require the TRM MC to deploy subcommittees which will work on more frequent or as needed schedules. The work of any TRM MC subcommittees will be communicated during recurring TRM MC meetings.

### **II. Support Structure Tasks**

The TRM MC will further define, document and regularly update the functional processes to be used after June 1, 2015. Until this documentation is completed, the TRM MC will utilize a consensus process similar to that of the pre-transition group, with the current administrative role of Staff being assumed by the Joint Utilities.

The Joint Utilities envision that TRM updates will continue to be posted to the Department of Public Service website. In order to provide transparency with respect to TRM revisions, a redline version<sup>8</sup> of the revised TRM may be filed through the Commission’s Document and Matter Management (“DMM”) System. The TRM MC will work collaboratively with Staff to finalize the necessary logistics associated with website management and the completion of filings in order to ensure appropriate transparency.

---

<sup>8</sup> The use of the term “redline version” is being used broadly in this context. For example, a limited filing could be completed to accommodate a small number of revisions rather than filing the TRM in entirety.

## **Work Plan**

### **I. Initial Work**

The following activities are planned by the TRM MC for the initial work period in order to successfully transition the TRM to the Joint Utilities' management:

- a) The TRM MC will kick off post-transitional activities with an initial meeting on June 3, 2015. At that meeting, co-chairs will be established as well as a 2015 monthly meeting schedule.
- b) A review will be conducted of the current TRM and associated supporting documentation provided to the TRM MC by Staff. Utilizing a consensus approach, tasks for participating committee members will be established.
- c) A work strategy to release an annual update to the TRM, as outlined in Clean Energy Guidance Document CE-01, Utility Energy Efficiency Program Cycle, issued by the Office of Clean Energy of the Department of Public Service on May 1, 2015, will be established. Lessons learned from annual planning cycles will be incorporated into on-going TRM MC activities in a continuous improvement fashion.
- d) A listing of completed and in-progress EM&V studies will be developed to potentially inform TRM revisions. This step is critical for planning and workload management purposes; both in the initial year and subsequent years. The TRM MC anticipates that from September through March of year one, and each subsequent year, it will dedicate resources to analyzing EM&V results for the potential incorporation into the TRM, among other tasks. For the remaining six months of the year the TRM MC will focus on routine work.
- e) A process to identify which EM&V studies will impact TRM savings algorithms or input variables will be developed. As EM&V work is completed prospectively, this process will inform updates to the TRM.
- f) Issues that have not been addressed in Version 3 of the TRM will be identified and prioritized. As part of this review, the information that will be provided by Staff, as identified in Appendix A, will be assessed. Potential items such as form and format, consistency of reference citations, and the relevancy of appendices will also be

- prioritized from a workload perspective. TRM manual revisions will be made, as needed, based on on-going TRM MC meetings and research.
- g) Current TRM assumptions regarding codes and standards, baseline and input assumptions, and other technical variables that are used in TRM savings algorithms will be assessed and prioritized. Revisions will be made as needed, based on on-going TRM MC technical review, meetings and research.
  - h) Proposals for changes to the TRM will follow a similar process to that currently utilized. A change will be submitted formally to the TRM MC distribution list in the form of a redline version of the TRM. Supporting information for the redline changes being made will also be included. The proposed change will be reviewed by the TRM MC, with input from NYSERDA and external stakeholders. Decisions will be made on a consensus basis by the TRM MC. Based on the complexity of the proposed change, the TRM MC will set an estimated timeline for reviews and comments. Once a decision has been made, the TRM MC co-chairs will post a notification of change on the current New York State Department of Public Service website.
  - i) A workable plan to broaden the technical expertise of TRM MC members will be developed, including but not limited to, interaction with other jurisdictions, technology experts, professional EM&V consultants, and associations that specialize in energy efficiency or specific technology applications.
  - j) The functional process to foster the incorporation of new measures into the TRM will be further refined and improved. The process will establish the form and format of TRM MC member submittals, including supporting references, resource documentation, calculations, and input variables. The process will also describe how: 1) submittals are reviewed and discussed, 2) TRM MC member consensus will be reached, and 3) necessary approval timelines will be established for measure review and potential adoption in the TRM. Outside technical experts may participate in TRM MC meetings as needed. Emerging technologies and new market innovations will be accommodated within this process.
  - k) The major utilities will initially develop the scope of work for administrative support needed to maintain the TRM, and will work to acquire this administrative support

within the first six months following the transition of the TRM to the Joint Utilities. The major utilities will later determine the potential need and scope for outside vendor support in the area of technical analysis and research (estimated to be identified in the first year after the transition and acquired in the second year after transition, if needed).

## **II. On-Going Work**

The following on-going work is planned by the TRM MC:

- a) Continue to maintain a functional timeline and work strategy to release an annual update to the TRM, as outlined in Clean Energy Guidance Document CE-01, Utility Energy Efficiency Program Cycle, issued by the Office of Clean Energy of the Department of Public Service on May 1, 2015. Lessons learned from annual planning cycles will be incorporated into on-going TRM MC activities in a continuous improvement fashion.
- b) Maintain an on-going workload prioritization list which can be used for annual and more frequent TRM revisions.
- c) Continue to assess current TRM assumptions such as: codes/standards, baselines, input variables, and components of savings algorithms. Make revisions, as needed, based on on-going TRM MC technical review, meetings and research.
- d) Incorporate new measures into the TRM as submittals are developed and provided to the TRM MC. Use the TRM MC's functional process to continue to adhere to the form and format of submittals. Continue to review and discuss submittals, reach TRM MC member consensus, and make appropriate changes to the TRM.
- e) Review the content of relevant findings from completed EM&V studies or M&V analyses that may be used to inform TRM revisions. Identify the specific TRM changes that need to be made based on completed EM&V work by making use of the TRM MC's functional process.
- f) Continue to broaden the technical expertise of TRM MC members, which includes but is not limited to interaction with: other jurisdictions, technology experts, professional EM&V consultants, and associations that specialize in energy efficiency or specific technology applications.

## **Appendix A**

**New York State Department of Public Service**

**TRM Supporting Documentation**

Staff shall provide to the Joint Utilities:

- I. All previously approved technical resource manuals, in Adobe PDF file format, as listed below:
  - a. New York Standard Approach for Estimating Energy Savings from Energy Efficiency Programs - Selected Residential and Small Commercial Measures (Electric), December 28, 2008
  - b. New York Standard Approach for Estimating Energy Savings from Energy Efficiency Programs (Gas) - Selected Residential and Small Commercial Gas Measures, March 25, 2009
  - c. New York Standard Approach for Estimating Energy Savings from Energy Efficiency Measures in Multi-family Programs, July 9, 2009
  - d. New York Standard Approach for Estimating Energy Savings from Energy Efficiency Measures in Commercial Industrial Programs, September 1, 2009
  - e. New York Standard Approach for Estimating Energy Savings from Energy Efficiency Programs - Single Family Residential Measures, December 16, 2009
  - f. New York Standard Approach for Estimating Energy Savings from Energy Efficiency Programs - Residential, Multi-family, and Commercial/Industrial Measures (Version 1), October 15, 2010
  - g. New York Standard Approach for Estimating Energy Savings from Energy Efficiency Programs – Residential, Multi-family, and Commercial/Industrial Measures (Version 2), December 12, 2014
- II. A list of in progress measures previously submitted to the Tech Manual Subcommittee (TMSC), and associated material

- III. The “May 11, 2010 EAG White Paper - Technical Manual Proposed Recommendations.” An EAG review of the five Technical Manuals approved by the Commission between December 2008 and December 2009 for consolidation and streamlining into one manual, the October 15, 2010 TRM.
- IV. A list of Web site addresses typically utilized by Staff during research, analysis, and clarification of TRM issues.
- V. A compiled list of completed EEPS 1 & 2 EM&V Studies.
- VI. A Staff compiled list of issues to be reviewed and addressed in future revisions of the TRM.