

EE-11: Reallocation of Evaluation, Measurement & Verification Funds for Non-EM&V Purposes	
New York State Department of Public Service Office of Energy Efficiency & the Environment Energy Efficiency Guidance	
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I. Purpose:

This Energy Efficiency Guidance document is developed to provide guidance to the Office of Energy Efficiency and the Environment (OEEE) Staff and to the Program Administrators (PAs) regarding approval from the Director of OEEE for reallocations of Energy Efficiency Portfolio Standard (EEPS) evaluation, measurement & verification (EM&V) funding to program budgets.

Energy Efficiency Guidance documents are developed to clarify energy efficiency program issues and to provide guidance for PAs and OEEE Staff in consistently interpreting and uniformly applying Public Service Commission Orders.

All Energy Efficiency Guidance documents are in effect until revised, rescinded or superseded.

II. Background

By Order issued February 26, 2015, the Commission authorized EEPS PAs to reallocate uncommitted EEPS EM&V funding to increase program budgets with the understanding that there will be a corresponding increase in energy savings targets.

III. Guidance

PA approval requests for reallocating uncommitted EEPS EM&V funds to program budget(s) shall be submitted to the Director of OEEE in a filing to the Secretary in Case 07-M-0548. The increase in energy savings target of the program receiving the funding should be calculated using the cost/MWh or cost/Dth based on that program's approved¹ non-EM&V budget and total savings target.² The filing must include the following information:

- A. The EEPS case number;
- B. The names of the individual programs affected by the reallocation;³
- C. The EEPS phase (1 or 2) of the source program;⁴
- D. The total amount of dollars to be reallocated and the calculated additional energy savings target to be achieved with the reallocated funding;
- E. Electric-to-gas or gas-to-electric funding reallocations are prohibited;
- F. Tables showing the current and revised budgets and targets for each program involved in the reallocation, submitted in the attached formats (Format 1 should be used for program to program reallocations, Format 2 should be used for reallocations within a program);
- G. The rationale for the reallocation, including why there is currently no viable alternative to transferring EM&V funding from within its portfolio;
- H. Any relevant information and analysis supporting the reallocation that would assist Staff's decision or that may affect the program implementation as a result of the reallocation.

The budgets and targets should be revised such that historic years remain as ordered and the reallocation is spread across the current and future program years.

The reallocation may be implemented upon approval by the Director of OEEE. The revised budgets and targets, and any other material changes to the program operations should be submitted in a revised implementation plan in accordance with EE-03, Process for Amending Implementation Plan Guidance.

¹ The approved budget and target reflect any prior reallocations.

² The reallocation of EM&V funds will not reduce the savings target of the source program.

³ Although in its October 25, 2011 Order the Commission granted flexibility to expend EM&V funds as needed across a portfolio, for data tracking purposes, EM&V budgets are still associated with specific programs. Therefore, for the reallocation of EM&V funds for non-EM&V purposes, Staff requires Program Administrators to state from which programs EM&V funds will be reallocated.

⁴ EEPS1 EM&V funds may be reallocated for non-EM&V purposes. However, to the extent possible, Program Administrators should reserve EEPS1 EM&V funding for EM&V activities and use EEPS2 EM&V funding for reallocation purposes.

FORMAT 1

Example - Budget and Target Reallocation Table

Program Administrator

Source Program for Reallocation:
Approved "Name 1" Program Budgets and Targets

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	Total <u>2012-2015</u>
Net Savings (Dth or MWh)					
Program & Admin Costs					
EM&V Costs					
Total Costs					

Target Program for Reallocation:
Approved "Name 2" Program Budgets and Targets

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	Total <u>2012-2015</u>
Net Savings (Dth or MWh)					
Program & Admin Costs					
EM&V Costs					
Total Costs					

Source Program for Reallocation:
As Revised "Name 1" Program Budgets and Targets

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	Total <u>2012-2015</u>
Net Savings (Dth or MWh)					
Program & Admin Costs					
EM&V Costs					
Total Costs					

Target Program for Reallocation
As Revised "Name 2" Program Budgets and Targets

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	Total <u>2012-2015</u>
Net Savings (Dth or MWh)					
Program & Admin Costs					
EM&V Costs					
Total Costs					

FORMAT 2

Example - Budget and Target Reallocation Table

Program Administrator

Program for Reallocation:
Approved "Name" Program Budgets and Targets

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	Total <u>2012-2015</u>
Net Savings (Dth or MWh)					
Program & Admin Costs					
EM&V Costs					
Total Costs					

Program for Reallocation:
As Revised "Name" Program Budgets and Targets

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	Total <u>2012-2015</u>
Net Savings (Dth or MWh)					
Program & Admin Costs					
EM&V Costs					
Total Costs					

