

Show Me the Savings: A Statewide TRM as a Catalyst for Energy Efficiency in Missouri

Project Period: January 1, 2016 – December 31, 2017

Prime U.S. Department of Energy Grant Recipient

Missouri Department of Economic Development - Division of Energy (DED-DE)

Grant Subrecipient

Vermont Energy Investment Corporation (VEIC)

Cost Share Partners

State Agencies

Missouri Office of Public Counsel
Missouri Public Service Commission
Missouri Department of
Natural Resources
Missouri Department of
Economic Development

Utilities

Ameren Missouri
Empire District Electric
Kansas City Power and Light
Laclede Gas Co.
Missouri American Water Co.
Summit Natural Gas

Advocates

Missouri Energy Initiative
Natural Resources Defense Council
Renew Missouri
Sierra Club

Letters of Support also received from the Midwest Energy Efficiency Alliance, ACEEE, Missouri Public Utility Alliance and the National Housing Trust.



Department of Economic Development
Division of Energy

Workplan

Overview

Charge: Serve as a catalyst to bring together electric, gas, and water utilities across Missouri to develop a statewide Technical Reference Manual (TRM) which will provide a transparent, consistent set of standard measures for tracking and documenting energy efficiency savings for cost recovery and Clean Power Plan compliance.

The statewide Technical Reference Manual will be a shared reference document built with input and collaboration from Missouri stakeholders including but not limited to the Public Service Commission, the Missouri Department of Natural Resources, the Office of Public Counsel, Ameren Missouri, Empire District Electric, Kansas City Power & Light, Laclede Gas Company, Summit Natural Gas, Missouri American Water Company, Missouri Energy Initiative, Natural Resources Defense Council, Renew Missouri, and Sierra Club. Other interested parties that have come forward to express an interest include Midwest Energy Efficiency Alliance, American Council for an Energy-Efficient Economy, Missouri Public Utility Alliance, and National Housing Trust. The project will also provide opportunities for collaboration between investor owned utilities, municipally owned utilities, and rural electric cooperatives.

A successful project will reduce or eliminate inconsistency among and within utilities, in terms of the energy savings assumed in potential studies, resource plans, and program filings; reduce or remove uncertainty surrounding Evaluation, Measurement & Verification (EM&V) of energy savings achieved; and facilitate discussion among key stakeholders about moving beyond deemed savings values and toward the next generation of EM&V practices.

Goals

1. Develop a statewide TRM which will:

- Provide a reference document for regulatory agencies, customers, and other stakeholders to consistently, reliably and transparently calculate electric and natural gas savings from the installation of energy efficient equipment.
- Facilitate coordinated program planning across all Missouri utilities, leading to greater energy savings and more effective customer engagement.
- Allow efficient tracking and documentation of savings for purposes of future energy efficiency resource standards and / or 111(d) compliance reporting.
- Provide more certainty and consistency in calculating cost-benefit tests in support of energy efficiency program design and evaluation.
- Provide a transparent, well-documented assessment of energy savings to facilitate program planning and portfolio assessments.
- Support the regulatory process by streamlining oversight and evaluation approaches, reducing costs, all of which will lead to greater energy savings.

2. Develop EM&V 2.0 Framework (guiding principles) for future EM&V development and updating.

3. Facilitate Ongoing Stakeholder Collaboration.

TRM Development Strategies

Start with the most reliable and most relevant data. Starting with available information for developing the TRM is efficient and takes advantage of stakeholder insights, program knowledge, and internal expertise. The statewide TRM will start with the common elements of TRMs current program and savings data and analysis from the utilities, and any new information and Missouri-specific inputs.

Enhance the application of best practices. Using local data as a framework and then benchmarking and supplementing with relevant information, data, and lessons learned from other jurisdictions will result in optimally accurate measure characterizations that are relevant to Missouri's programs. The Project Team will also take advantage of the best-practice approaches to TRM development, including the U.S. Department of Energy's Uniform Methods Project

protocols, when relevant. The Team will also integrate enhancements informed by experience in other jurisdictions, when appropriate.

Focus on stakeholder involvement. The most transparent and useful TRMs not only incorporate data from stakeholders but also reflect their input and buy-in for the process and the final decisions. This project will use a structure that provides for extensive and inclusive opportunities for stakeholder involvement.

TRM success characteristics. A successful TRM will be credible, accurate, transparent, comprehensive, standardized, easy to use, and supported by stakeholders.

EM&V 2.0 Framework Development Strategies

The next generation of EM&V practices will allow Missouri to prepare for the future in which smart grid infrastructure, remote load monitoring, and sensors embedded in equipment and appliances will change the nature of EM&V. A report summarizing how leading states are addressing changes through best practices and an analysis of their application for Missouri will be developed.

Stakeholder Collaboration Strategies

Clarify Roles of DED-DE and VEIC. The Missouri Department of Economic Development / Division of Energy (DED-DE) is the Lead Grant Recipient for this project. The Vermont Energy Investment Corporation (VEIC), the Grant Subrecipient with extensive capability in developing strategic and technical EM&V deliverables, will manage day-to-day project work, develop the TRM and the EM&V 2.0 deliverables, and facilitate stakeholder engagement. The DED-DE and VEIC will partner closely to support the stakeholder tasks, ensuring appropriate engagement by the cost share partners and other stakeholders.

Form an Oversight Committee. An Oversight Committee, comprised of the cost-share partners (see page 1), will provide policy and overarching guidance for the project. The Oversight Committee will a) share relevant information/resources, b) consider the advice of the Technical Advisory Committee, VEIC and other stakeholders, c) help craft policies and methods for integrating the TRM into internal as well as regulatory processes, d) help outline ways to maintain and update the TRM to continue to be as useful as possible into the future, and e) strive for consensus. In addition to the project kick-off meeting on January 22, 2016, the Oversight Committee will be provided with regular updates, presentations, and opportunities for input through a variety of means, the extent and frequency of which will be determined by the Committee at its first meeting.

Form a Technical Advisory Committee. A Technical Advisory Committee (TAC), comprised of the technical and program delegates from the Oversight Committee will provide data, input, and assistance in the development of the project's deliverables. The TAC will a) solicit data and information for measure development, and b) review and reach consensus on methods and assumptions in developing the template for TRM measure development and EM&V framework. Information on program implementation models, market penetration, program savings and participation, and other utility data will be required for TRM development, along with Missouri-specific and national-level technical data and analyses. The TAC will provide input and discussion throughout development of the TRM and the EM&V 2.0 framework. The TAC will involve each stakeholder organization's technical staff and will meet regularly to provide information, review, and comment on conference calls led by VEIC.

Ensure transparency in information exchange and decision making. Engaging stakeholders is the best way to gain consensus and implementation of the end products. This will be achieved through open and inclusive meetings, and shared tracking, reporting, file sharing, and knowledge management through SharePoint and other tools. SharePoint is a web application platform in the Microsoft Office server suite that creates a secure place to store, organize, share, and access information and documents from multiple sources/users. Various levels of security are available so access to confidential data/documents may be limited to specific groups or individuals. VEIC/DED-DE will establish a project SharePoint site for data and information management and sharing, and will create project information management and tracking systems for data, and for issues and their resolution. As appropriate, technical information, analyses, support and reference studies, and project documents will be accessible on the DED/DE website.

Existing Efforts and How They Will Be Leveraged

The Missouri Public Service Commission's MEEIA rule (4 CSR 240-20.094(8)(B)), effective July 31, 2012, requires all investor-owned utilities in the state and their stakeholders to form a statewide advisory collaborative to (1) address the creation of a technical resource manual that includes values for deemed savings; (2) provide the opportunity for sharing, among utilities and other stakeholders, lessons learned from demand-side program planning and implementation; and (3) create a forum for discussing statewide policy issues. This project will build on this regulatory guidance.

The Missouri DED-DE and Missouri Energy Initiative jointly convened the first MEEIA Statewide Collaborative meeting on July 31, 2013. The PSC convened subsequent meetings in October 2014 and on December 1, 2015. The stakeholder engagement for this project will capitalize and expand on this earlier effort.

The TRM project will build on the momentum created by the successful stakeholder engagement process utilized to complete the Missouri Comprehensive State Energy Plan (CSEP). This TRM project represents one of the implementation recommendations contained in the CSEP.

Ameren Missouri has developed a formal TRM that guides savings calculations for its efficiency programs. The TRM project will incorporate information from Ameren's resource, along with internal savings calculations, program insights, market data, weather information, and other relevant data from the utilities and other stakeholders, as appropriate.

VEIC has developed statewide TRMs in five other states, as well as a regional TRM for the Mid-Atlantic. Information and analyses from these efforts, along with a database of TRM algorithms and resources, will provide valuable resources for this effort in Missouri.

Project Schedule

January 1, 2016 – December 31, 2017

M = milestone product completed; Shaded area represents time working toward task completion.

		Contract Year 1												Contract Year 2											
		Q1			Q2			Q3			Q4			Q5		Q6		Q7		Q8					
Project/Task:	Month:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Task 1: Gather Information and Identify TRM Content																									
1.1: Establish TAC and Communication Plan		M																							
1.2: Gather and review available information					M																				
1.3: Prepare framework for measures and TRM policy guidance					M																				
1.4: Prepare common measure list					M																				
Task 2: Characterize TRM Measures																									
2.1: Review current utility assumptions												M													
2.2: Pursue significant questions from initial review												M													
2.3: Draft measure characterizations												M													
2.4: Review with stakeholders and finalize measures													M												
Task 3: Prepare Final TRM																									
3.1: Draft full TRM document															M										
3.2: Review with stakeholders and finalize full TRM																M									
Task 4: Develop TRM Update and Maintenance Process																									
4.1: Review current planning and evaluation cycles															M										
4.2: Develop recommended update process																M									
4.3: Review with stakeholders and finalize TRM update process																	M								
Task 5: Regional Engagement on EM&V 2.0																									
5.1: Conduct Best Practice review on EM&V 2.0																	M								
5.2: Share EM&V 2.0 best practices																		M							
5.3: Convene Missouri stakeholders to develop framework for EM&V 2.0																			M						
5.4: Share EM&V 2.0 Best Practices and framework to Midwest stakeholders																							M		
5.5: Issue final framework for EM&V 2.0																								M	
Task 6: Implementation Model Dissemination																									
6.1: Administration and reporting steps		M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M



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