

Why, When and How? Moving Towards Consistent Measurement and Verification Protocols for Energy Efficiency Savings

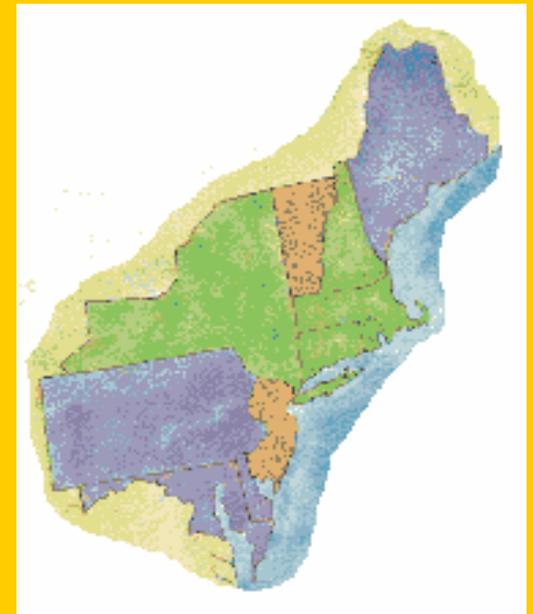
Julie Michals

Public Policy Outreach Manager

Northeast Energy Efficiency Partnerships

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1. Why do we need common M&V and reporting standards/protocols for EE savings?
2. Timeframe for developing common M&V and reporting standards: short-term and long-term regional and national needs and opportunities
3. How can regions effectively adopt consistent M&V standards?
4. Next steps



Why common M&V protocols?

- NEEP report "The Need for and Approaches to Developing Common Protocols to Measure, Verify and Report Energy Efficiency Savings in the Northeast" (http://www.neep.org/files/Protocols_report.pdf)
- Report findings: important differences in state M&V protocols: M&V methods used; baseline conditions; definitions (net savings); transparency of protocols (in some states)
- New state and regional energy and environmental policies/strategies emerging that treat EE as a resource -- *Success of these may depend on creating a common currency for EE savings that is credible and transparent*

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Why common M&V protocols cont.?

- EE as a resource in form of EE portfolio standards (e.g., CT, ME, RI, NJ, IL, NV, CA)
- ISO-NE Forward Capacity Market
- Regional Greenhouse Gas Initiative (RGGI) and tracking carbon emission reductions
- Regional/National GHG Registry
- Impact of EE in meeting SIPs for NOx attainment
- Regional emission modeling needs (NESCAUM)
- Modeling interchange and trade between NE, NY and PJM ISOs/RTOs

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When is the right time to develop common M&V protocols?

What are current policy priorities?

- For New England ISO-FCM = now
- For resource procurement and EEPS = now
- For state and regional climate change needs = now/short-term
- For national climate change needs = mid-term
- For interchange/trade between regions = mid-term

Bottom line – all needs are interrelated, makes sense to coordinate M&V protocols development *now* across states and regions

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How do we move in right direction? Opportunities for Coordination

- Coordinate within regions: Northeast, Midwest
- Coordinate across regions – NW RTF, New England/Northeast, Midwest, California
- Coordinate across policy needs and respective interstate and intrastate government agencies
- State and federal agencies to assist with coordination (e.g., EPA's Model Evaluation Guideline)

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Building From Existing M&V Protocols

- California M&V protocols (2006 CEEEP)
- NW Regional Technical Forum
- Existing state M&V protocols (e.g., technical reference manuals but no specific requirements for M&V methods or level of rigor)
- International Performance Measurement and Verification Protocol (IPMVP)
- FEMP protocols
- New England ISO Forward Capacity Market M&V Manual
- EPA's Model Evaluation Guide for Documenting EE and Emission Savings will look at all of the above

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One Size Fits All?

Should common M&V standards/protocols apply across all policies?

- For some M&V elements, yes (e.g., acceptable M&V methods, baseline conditions, definitions, some input assumptions) but not necessarily all (e.g., certain input assumptions, level of rigor?)
- Different level of EE savings needed for different policies:
 - > for ISO FCM, EE is bid at “gross” level (i.e., without accounting for free-riders)
 - > for EEPS, EE reported at “net” level (i.e., including free-riders and spillover)
 - > for carbon offsets and climate change policies, additionality is key (“net” savings beyond status quo)

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Next Steps

- Provide input into EPA's Model Evaluation Guide
- Explore direct opportunities for coordination/collaboration between regions
- Greater coordination between air regulators and PUC regulators
- Coordinate with North American Energy Standards Board
- NARUC resolution to adopt consistent M&V guidelines?



Questions?

Julie Michals

jmichals@neep.org

(203) 244-5125

www.neep.org

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