T2WG – Tiered Preponderance of Evidence

**Proposal for Simplified POE Requirements for Smaller Custom Projects**

Submitted by Ecology Action

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In Resolution E-4818 March 2, 2017 the PUC adopted the concept of a *‘Tiered’ approach in its preponderance of evidence guidance, whereby projects with smaller incentives would be held to a lower rigor standard.”*  The Resolution went on to adopt a new structure that employs three different tiers of evidence to support Accelerate Replacement claims:

* *“Full Rigor” for the largest projects with incentives greater than $100,000,*
* *“Tier 1, Medium Rigor” for projects with incentives between $25,000 and $100,000, and*
* *“Tier 2 Lower Rigor” for projects with incentives less than $25,000.*

The T1WG spent considerable time developing a proposal for the requirements of each tier, but consensus was not reached and the PUC has postponed implementation until agreement can be reached on the specific evidence requirements of each Tier. This document describes Ecology Action’s proposal for the general evidence requirements at each step. We see this proposal as the first of two steps. The first is to agree on the principles of the required evidence at each tier. The second is to carefully articulate the specifics – to put the meat on the bones. This second step is critical to ensuring that these new rules are consistently understood and applied.

**Recommendation: Rename the Tiers for Clarity:**

* “Tier 1” (Lower Rigor) for projects with incentives less than $25,000
* “Tier 2” (Medium Rigor) for projects with incentives from $25,000 to $100,000
* “Tier 3” (Full Rigor) for projects with incentives greater than $100,000

**Tier 1 Requirements:** (Projects with Incentives up to $25,000)

1. Photographic evidence of existing equipment. Evidence will show equipment in operation when practical (example: operational photographs of exterior fixtures is often impractical for safety and cost concerns).
2. Affidavit signed by customer and implementer affirming that both the influence and RUL conditions for claiming Accelerated Replacement are satisfied for the project. This affidavit should contain language with sufficient consequences to make all involved parties bear repercussions of falsely claiming Accelerated Replacement. This could include customer and contractor having rebate & performance clawed back, or customer could be ineligible for EE program participation for a period of time, or other consequence.

**Tier 2 Requirements:** (Projects with Incentives from $25,000 to $100,000)

1. Photographic evidence of existing equipment. Evidence will show equipment in operation when practical (example: operational photographs of exterior fixtures is often impractical for safety and cost concerns).
2. Affidavit signed by customer and contractor or PA affirming that both the influence and RUL conditions for claiming Accelerated Replacement are satisfied for the project. This affidavit should contain language with sufficient consequences to make all involved parties bear repercussions of falsely claiming Accelerated Replacement. This could include customer and contractor having rebate & performance clawed back, or customer could be ineligible for EE program participation for a period of time, or other consequence.
3. PA-administered customer interview or questionnaire to verify influence and RUL of existing equipment.

**Tier 3 Requirements:** (Projects with Incentives greater than $100,000)

Tier 3 projects should follow the “full rigor” process as articulated in Resolution E-4818.