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the following clarifying policies are part of the definition of an existing conditions baseline for use within a deemed or calculated savings determination:

* An existing conditions baseline reflective of poor maintenance and disrepair applies only to BRO installation types.
* All activities and installations that restore equipment performance to its nominal efficiency (i.e., rated, intended, or original efficiency) but do not enhance the nominal efficiency must classified as BRO, and where applicable should adhere to the HOPPs Ruling and with the guidance presented on page 26 of this Resolution (in the subsection titled Repairs Including Replacement of Failed Add-On Equipment). However, we allow for Program Administrators to submit proposals for exceptions to this rule for Commission Staff review and approval.

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* Improved operation – In this case, the high-efficiency measure is nominally more efficient than the pre-existing system as demonstrated by an increase in name plate efficiency or an improvement in the operational specifications of the equipment.
* Restored operation – In this case the high-efficiency measure restores the pre-existing equipment efficiency. These measures entail like replacement of equipment, repair of equipment, or non-hardware operational changes.

We find these definitions offer a useful reference and language for articulating standards, and determining the appropriate installation type for measures. For these reasons, we adopt them.

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Consistent with current policy, a like-for-like replacement of failed add-on equipment does not qualify for existing conditions baseline, with these exceptions:

* Use of NMEC, RCT/experimental design to measure savings
* Offered through a BRO program or under the repair and maintenance provisions outlined in HOPPs

The replacement of broken or poorly performing add on equipment may qualify as a normal replacement, and may use a code or industry standard practice baseline, as appropriate.

Order

1. For deemed and calculated savings determinations, we direct the Program Administrators to ensure that the nominal efficiency used as an existing conditions baseline will reflect the efficiency rating, designed efficiency, or original efficiency of well-maintained and properly configured equipment for all measures, except those classified as behavioral, retrocommissioning and operational (BRO). If nominal efficiency is not available, Program Administrators shall apply reasonable upward adjustment to the assumed annual energy consumption of the installed equipment to reflect the maintenance and operations component of savings. Energy Star estimates that low cost operations and maintenance savings are between 5 and 20% per year. This is a reasonable estimate, provided it is consistent with O&M savings claims for similar building and measure types.

2. We direct the Program Administrators to ensure that all program activities and installations resulting in performance that does not exceed the nominal efficiency (i.e., rated, intended, or original efficiency) of the pre-existing condition are offered through a behavioral, retrocommissioning or operational program framework, with an effective useful life not to exceed three years.

4. We direct the Program Administrators to apply a normal replacement baseline where the existing equipment is not operational or not meeting the existing service requirements. This applies to all types of equipment, including add-on equipment.