**Proposal for consideration in the T2WG (version 4) 2017/05/08**

**Standard Practice Baseline**

**Background**:

The Standard Practice Baseline is synonymous with a “code” baseline and is used as the single baseline for Normal Replacement, New Load, and New Construction measures as well as the second baseline[[1]](#footnote-1) for Accelerated Replacement (AR) measures.

**Definition**:

The Standard Practice Baseline is an estimate of the activity or installation that what would take place absent the energy efficiency program as required by code, regulation, law, or expected to occur as standard practice. The Standard Practice Baseline activity or installation must meet the anticipated functional needs of the customer, building, or process while providing a level of service comparable to the efficiency measure.

**Selection Process**:

Step 1. Consider any applicable and current CPUC or Program Administrator[[2]](#footnote-2) published Standard Practice determination relevant to the anticipated functional needs of the customer, building, or process. The two current CPUC sources are ISP guidance documents or DEER baseline values, both located on the CPUC Ex Ante Review Custom Process Guidance Documents webpage.[[3]](#footnote-3) If applicable baseline assumption is found, use that as the baseline. If an applicable baseline assumption is not found, proceed to Step 2, otherwise stop here.

Step 2. Determine at least one viable option the customer has to meet the anticipated functional needs of the customer, building, or process while complying with all codes, standards, or other requirements, with consideration for:

A. Applicable minimum building energy efficiency requirements (e.g. California Building Energy Efficiency Standards (Title 24 – Part 6) or ASHRAE Standard 90.1), and

B. Other applicable federal, state, and local regulations or requirements[[4]](#footnote-4) (e.g. Title 20, CARB Regulations, Federal Appliance Standards), and

C. Providing an equivalent level of service as the EE measure for the EUL of the EE measure.

Step 3. If Step 2 yields only one viable option,[[5]](#footnote-5) use that option to establish the standard practice baseline.[[6]](#footnote-6) If Step 2 yields two or more viable options, the option that is the lowest cost to implement typifies the standard practice baseline.

***This version includes the redlined revisions from the previous version.***

**Proposal for consideration in the T2WG (version 4) 2017/05/08**

**Standard Practice Baseline**

**Background**:

The Standard Practice Baseline is synonymous with a “code” baseline and is used as the single baseline for Normal Replacement, New Load, and New Construction measures as well as the second baseline[[7]](#footnote-7) for Accelerated Replacement measures.

**Definition**:

The Standard Practice Baseline is an estimate of the activity or installation that what would take place absent the energy efficiency program as required by code, regulation, law, or expected to occur as standard practice. The Standard Practice Baseline activity or installation must meet the anticipated functional needs of the customer, building, or process while providing a level of service comparable to the efficiency measure. For Industrial processes, comparable level of service includes production increases that can be met with existing equipment/systems that will be replaced with more efficient equipment/systems.

**Selection Process**:

Step 1. Consider any applicable and current CPUC or Program Administrator[[8]](#footnote-8) published Standard Practice determination relevant to the anticipated functional needs of the customer, building, or process. The two current CPUC sources are ISP guidance documents or DEER baseline values, both located on the CPUC Ex Ante Review Custom Process Guidance Documents webpage[[9]](#footnote-9). If applicable baseline assumption is found, use that as the baseline. If an applicable baseline assumption is not found, proceed to Step 2, otherwise stop here.

Step 2. Determine at least one viable option the customer has to meet the anticipated functional needs of the customer, building, or process while complying with all codes, standards, or other requirements, with consideration for:

A. Applicable minimum building energy efficiency requirements (e.g. California Building Energy Efficiency Standards (Title 24 – Part 6) or ASHRAE Standard 90.1), and

B. Other applicable federal, state, and local regulations or requirements[[10]](#footnote-11) (e.g. Title 20, CARB Regulations, Federal Appliance Standards), and

C. Providing an equivalent level of service as the EE measure for the EUL of the EE measure.

Step 3. If Step 2 yields only one viable option[[11]](#footnote-12), use that option to establish the standard practice baseline[[12]](#footnote-13). If Step 2 yields two or more viable options, the option that is the lowest cost to implement typifies the standard practice baseline.

1. The second baseline applies to the time period from the end of the remaining useful life (RUL) of replaced equipment to estimated useful life (EUL) of the measure. [↑](#footnote-ref-1)
2. In cases of conflicting determinations, the <need to choose: “CPUC” or “more recently”> issued baseline determination prevails. [↑](#footnote-ref-2)
3. <http://www.cpuc.ca.gov/General.aspx?id=4133> [↑](#footnote-ref-3)
4. This does not include communities with “reach” building codes. Per D.09-05-037 OP 4: “…incentives and savings in communities with “reach” building codes or similar efficiency requirements shall be no different from those in other communities, and shall not be treated as free riders.” [↑](#footnote-ref-4)
5. Viable in this context can be defined as: capable of working successfully; feasible. [↑](#footnote-ref-5)
6. In this case, the measure is ineligible for Normal Replacement, and there is no second baseline savings for Accelerated Replacement. [↑](#footnote-ref-6)
7. The second baseline applies to the time period from the end of the remaining useful life (RUL) of replaced equipment to estimated useful life (EUL) of the measure. [↑](#footnote-ref-7)
8. In cases of conflicting determinations, the <need to choose: “CPUC” or “more recently”> issued baseline determination prevails. [↑](#footnote-ref-8)
9. <http://www.cpuc.ca.gov/General.aspx?id=4133> [↑](#footnote-ref-9)
10. This does not include communities with “reach” building codes. Per D.09-05-037 OP 4: “…incentives and savings in communities with “reach” building codes or similar efficiency requirements shall be no different from those in other communities, and shall not be treated as free riders.” [↑](#footnote-ref-11)
11. Viable in this context can be defined as: capable of working successfully; feasible. [↑](#footnote-ref-12)
12. In this case, the measure is ineligible for Normal Replacement, and there is no second baseline savings for Accelerated Replacement. [↑](#footnote-ref-13)