

Protocols for Advanced M & V: Helping You See Clearly

Webinar April 30, 2020

Welcome and Acknowledgments



 This webinar is brought to you as part of the "Standardized, Sustainable and Transparent EM&V – Integrating New Approaches" project

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- Lawrence Berkeley National Lab,
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- Eversource and Avangrid (UI)
- State Partners: NYSERDA, Vermont Department of Public Services, New Hampshire Public Utility Commission, Rhode Island Office of Energy Resources

Please note



Audience is muted: Please use Chat Box for questions

We will unmute for Q&A Session at end of webinar and distribute answers to questions if time is short

The webinar is being recorded

Introduction





Why are AM&V protocols and guidance important now?

Because



- The industry experience with AM&V is growing
- AM&V is an increasingly relevant tool for states to have in their mix – e.g. P4P program design, CA NMEC protocols, as support for time-differentiated savings impacts, customer engagement and climate goals
- New Efficiency Valuation Organization (EVO- IPMVP) best practice for AM&V offers global consistency and credibility
- Proper guidance and protocols will ensure that AM&V is used appropriately

Goals of Webinar



- 1. Share information on advanced M&V
 - Guidance and Protocols
- Introduce new resources for advanced M&V
 Available and Coming Soon
- 3. What role do protocols play in deploying advanced M&V in building analytics?
- 4. Future directions
 - $\,\circ\,$ More protocols work needed and Where AM&V is headed

Definitions



- Advanced M&V: Large data sets, near real-time, ongoing feedback, non-linear analytical methods, whole building meter-based savings calculations, frequent intervals. (Similar but different from traditional billing analysis and applicable to portfolios, some programs, and individual sites, for program implementation and evaluation).
- Protocols: Set of concepts and commonly accepted conditions ensuring credibility of a product. Technical details.
- Guidance: How to meet conditions set forth by protocols. Advice on best practices for applications. Often locally agreed upon.

Agenda and Presenters



- An Evaluation and Portfolio Perspective on AM&V
 - Kevin Warren, Warren Engineering
- A Program Planning Perspective: Software Protocols and AM&V Implementation Guide
 - Eliot Crowe, Lawrence Berkeley National Lab
- The Project Perspective: Technical Issues and New EVO Publications
 - Lia Webster, Facility Energy Solutions
- The State Perspective: Developing and Applying Guidance
 - Carmen Best, Recurve
- Future Directions!
- Q&A



Kevin Warren Warren Engineering

An Evaluation and Portfolio Perspective on AM&V

Major Use Cases



• ESCOs or EMIS Providers

- Use interval data analysis to prove the savings from a building tune-up
- Impact Evaluation
 - Determine the savings from a utility program after it has happened or in real time
- Program Implementation and Tracking
 - Embedded into the program delivery process

Ex-ante 2.0



- Pre/post billing analysis
- Continuous (or at least ongoing)
- All participants
- Embedded in program functions
- Used for more than just savings reconciliation
- Other methods may be used for estimating savings prior to measure installation (TRM, engineering calcs)

Program Characteristics that Influence the Ex-ante 2.0 Approach



- Do we care only about savings at the program-level (or average results for a large number of participants) or do we care about facility-level savings?
- Are participants relatively homogenous (residential) or relatively unique?
- What is the average value of the savings for each participant?

Relevant Prior Protocols



Savings = (Baseline Period Energy – Reporting Period Energy) +/- Routine Adjustments +/- Non Routine Adjustments

Population	Applicable Sectors	Baseline Adjustment Technique	Protocols
Homogenous	Residential	Comparison group	 UMP Chapter 8 SEE Action Impact Evaluation Guide
Heterogeneous	Nonresidential	NRA	 IPMVP UMP Chapter 16 UMP Chapter 19 UMP Chapter 24

Flavors of Ex-ante 2.0



	Ex-ante 2.0 Flavor	Treatment of NRAs
	Population with Comparison	Embedded billing analysis with a comparison group
	Population w/o Comparison	Embedded billing analysis without a comparison group
	Embedded Option C	Embedded billing analysis of all participants while attempting to identify and quantify NRAs at high rigor.
First National 341 feet	Raw Site Level	No NRA



Do Ex-ante 2.0 Programs Require Evaluation?

	Ex-ante 2.0 Flavor	Evaluation Approach	
	Population with Comparison	Review analysis, review comparison group	
	Population w/o Comparison	Comparison group analysis, difference of differences	
	Embedded Option C	 Sample (after reviewing CUSUMs and CRRs) Use Option C for some but not all For Opt C, high rigor verify NRAs, missing data, dates 	
First National 341 feet	Raw Site Level	 Adjust baseline if not existing conditions Calculate Realization Rates Review reserved savings analysis, site visits, and/or M&V to answer "Why?" 	

Ex-ante 2.0 Gives Evaluators New Tools



- Early feedback to programs
- Better information on the timing of savings
- New sampling methods using CRR and CUSUM
 - CRR = Claimed-to-Reserved Ratio
 - Claimed (ex-ante) / Reserved
 - CUSUM Plots



Eliot Crowe Lawrence Berkeley National Lab

A Program Planning Perspective: Software Protocols and AM&V Implementation Guide

Advanced M&V Process

Implementation Resource Guide

- Overview
- Tools & methods
- Tool selection
- Data gathering & preparation
- Workflow
- Documentation guidance
- Getting started



M&V Tool Selection

- Many models/tools available
- Proprietary vs. transparent / open source
- Example free tools:
 - ECAM
 - RMV2.0
 - OpenEEMeter
 - Universal Translator
 - NMECR





M&V Tool Selection

- Need to customize models?
- Can the tool be easily configured to output baseline model goodness of fit metrics?
- Need for individual building savings and aggregated?
- Is the tool capable of "batch mode" data input?
- Need to accommodate continuous meter data feeds?
- Any desired model inputs beyond weather and time?
- Has tool been vetted, for example in prior pilots, third-party testing, or by other means?
- Preference for additional features?
 - Customer dashboard
 - Opportunity ID
 - Project management features
 - Etc.





How do you test an M&V tool?

- Predictive capability: Out-of-sample testing
- **Robustness:** Use a test dataset covering many buildings
- **Trusted:** Ensure that test method/results do not allow for 'gaming' the test





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EVO Advanced M&V Testing Portal



Test Results



* This table includes both public and private model submissions. Identifying information has been hidden for private submissions.

Model Name



EVO Advanced M&V Testing Portal



Download the test data and create baseline models for Training Period Use Prediction Period temperature data to generate modeled hourly kWh values

Upload prediction data and get results

Test Metrics





Did I Pass?

×





http://mvportal.evo-world.org/



M&V Tool Testing

• Good tool = guaranteed results?





Baseline Model Fitness

- R2, target >0.7
- CV(RMSE), target <25%
- NMBE, target <0.5%
- (MAPE is another to consider)





Other baseline considerations

- Residuals / scatter chart
- Data management / meters
- Dates
- Weather data







Savings Tracking and Visualization











Lia Webster Facility Energy Solutions

The Project Perspective: Technical Issues and New EVO Publications

FACILITY energy solutions



- AM&V Perspectives
- M&V and EM&V Protocols & Guidelines
- Technical issues in AM&V
- Areas under development
- Technical resources

AM&V Program Perspectives

Project Focused

- Commercial & Industrial sites
- Unique projects
- Technically rigorous
- M&V plan
- Non-Routine Adjustments
- Accurate site-level savings (Ex-ante)

Aggregated Approach

- Small Commercial & Residential
- Uniform population
- Generous acceptance criteria
- Control Groups
- Portfolio level savings

Impact Evaluation

- Sample of Projects
- External factors
- Program impacts
- Realization Rates
- Ex-post savings

M&V Protocol

IPMVP:

- Used worldwide
- Provides M&V terms & definitions
- Framework to determine savings
- Defines 4 M&V approaches
- Focus on projects

ISO 17741 / 50001:

- Superior Energy Performance (SEP)
- Limited application to AM&V



CORE CONCEPTS

INTERNATIONAL PERFORMANCE MEASUREMENT AND VERIFICATION PROTOCOL®

October 2016 EVO 10000 – 1:2016

EM&V Protocols

DOE SEE Action:

- Provides terms & definitions
- Focus on programs
- Framework to determine net & gross savings
- EM&V Approaches:
 - M&V Approach (IPMVP Options)
 - Deemed Savings
 - Large Scale Consumption Analyses (control groups)

DOE/EE-0829



Energy Efficiency Program Impact Evaluation Guide

Evaluation, Measurement, and Verification Working Group

December 2012

The State and Local Energy Efficiency Action Network is a state and local effort facilitated by the federal government that helps states, utilities, and other local stakeholders take energy efficiency to scale and achieve all cost-effective energy efficiency by 2020.

Learn more at www.seeaction.energy.gov

EM&V Guidelines

DOE UMP

- Compilation of individual 'protocols'
 - 18 ECM specific, 5 'Cross-cutting'
- Focus on evaluation

EPA Guidebook on EM&V

- Compiles guidance from DOE
- Promotes best practices

State-by-State Guidance

- CA Standard Practice Manual
- Technical Reference Manuals (TRMs)
- Public utilities commissions
- Other



M&V Guidelines

GUIDELINE



ASHRAE

Based on IPMVP

- ASHRAE Guideline 14
- M&V Guidelines for Federal Energy Projects (FEMP)
- Strategic Energy Management (SEM) MT&R Guidelines
- State and utility guidelines

Measurement of Energy, Demand, and Water Savings

Approved by ASHRAE on December 18, 2014.

ASHRAE Guidelines are scheduled to be updated on a five-year cycle; the date following the Guideline number is the year of ASHRAE approval. The latest edition of an ASHRAE Guideline may be purchased on the ASHRAE website (www.ashrae.org) or from ASHRAE Customer Service, 1791 Tullie Circle, NE, Atlanta, GA 30329-2305. E-mail: orders@ashrae.org. Fax: 678-539-2129. Telephone: 404-636-8400 (worldwide) or toll free 1-800-527-4723 (for orders in US and Canada). For reprint permission, go to www.ashrae.org/permissions.

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Includes online access to RP-1050 and RP-1093 final reports, as well as downloadable software toolkits for analysis of building energy and environmental data.
M&V Requirements: IPMVP

IPMVP

Requirements for "Adherence":



CORE CONCEPTS

INTERNATIONAL PERFORMANCE MEASUREMENT AND VERIFICATION PROTOCOL®

October 2016 EVO 10000 – 1:2016

M&V Requirements: IPMVP

IPMVP

Requirements for "Adherence":

- Follow procedures & principles
- Detailed M&V plan & report
- Use IPMVP terminology & equations
- Consider Uncertainty in savings
- Operational verification

Option C: Whole Building specific:

- Regression modeling
- Energy data requirements
- Non-Routine adjustments



Advanced M&V industry is active!

P4P Utility Programs

- IOUs in California (NMEC)
- Seattle City Light
- NYSERDA / Con Ed
- BayREN (CA)
- Others...

AM&V Software

- ECAM
- LBNL RMV2.0
- Universal Translator (UT3)
- Gridium
- OpenEEMeter
- NMECR
- Others...

Ongoing Research

- Model types
- Uncertainty methods
- Efficacy of aggregated approaches
- Accuracy of adjustments
- NRE automated detection methods

Current AM&V Programs

State/ Province	Utility or Sponsor	Program Name	Sector	
OR	Energy Trust of Oregon	Pay for Performance Pilot	Residential	
СА	PG&E	Pay for Performance		
NY	NYSERSDA, Con Ed	Business Energy Pro - P4P Pilot	Small Commercial	
NJ	State of NJ's Clean Energy Program	Pay for Performance Existing Buildings*		
СА	BayREN	Pay for Performance		
BC (Canada)	BC Hydro	Strategic Energy Management		
IL	ComEd and Nicor Gas	Strategic Energy Management	Commercial	
DC	DC Sustainable Energy Utility	Pay for Performance (P4P)		
МІ	DTE Energy	Strategic Energy Management		
VT	Efficiency Vermont	Deep Retrofit		
MA, RI	National Grid	Pay for Performance (MBCx & EBCx)		
WA	Seattle City Light	Deep Retrofit Pay for Performance		
СА	SoCalREN	Metered Savings Program		
WA, OR, ID, MT	BPA, Idaho Power, PacifiCorp, PSE	Strategic Energy Management		
VT	Efficiency Vermont	Continuous Energy Improvement (SEM & EBCx)		
OR	Energy Trust of Oregon	Strategic Energy Management	Commercial & Industrial	
CA	SCE	SCE Public Sector Performance-Based Retrofit HOPs		
CA	PG&E	NMEC meter-based savings platform		

AM&V Software

Area	Feature
	Model Type(s)
	Variables & Inputs Used
Model	User Interface
	Level of User Adjustments
	Equations of Model(s) Shown
	Interval Data Accepted
Energy Data Used	Hourly
Energy Data Oseu	Daily
	Monthly
	Level of Automation
Quantiant	Software Used
Overview	Code Language
	Open Source
	NRE detection
	Data Coverage Assessment / Limiting
Tool Features	Performance Period Weather Data
	Residual Review for Autocorrelation
	Model Statistics Provided
Sovings Type	Avoided Energy Use
Savings Type	Normalized Savings

Free & Open Source Tools

ECAM

RMV2.0

OpenEEMeter

UT3 M&V Module

NMECR

Key considerations for AM&V

Application Issues

- Commercial vs. Residential
 - Building level vs. Population based
- Avoided energy use vs. Normalized savings
- Level of Automation
 - Costs
 - Periodic reporting vs. Dashboard
 - Need for customized models, QC
 - Energy data access and cleaning

Technical Issues

- Variations in M&V tool capabilities
- Need for customized models
- Savings uncertainty limitations
- Model acceptance criteria
 - "Bad" buildings
- Detecting Non-Routine events
- Making Non-Routine adjustments

Variations in M&V Tools

Form of Models:

- Change-point Models
- Time of week and temperature
 - Variations
- Tools with multiple types of models

Data Used:

- Inclusion of Holidays
- Use additional variables (e.g., Occupied Sq. Ft.)
- Hourly, Weekly, or Monthly energy intervals



Devil's in the details...Savings Uncertainty

Fractional Savings Uncertainty

- From ASHRAE G-14
- Based on concept that savings
 uncertainty decreases over time
- Auto-correlation problems with interval data
 - Correction factors
 - Under-estimates FSU

Model Goodness of Fit

- Use regression statistics
- Ensure quality modeling
 procedures
- Not as transparent as FSU
- Ensure savings are detectible

Mitigate Uncertainty & Maximize Savings

Reduce Saving Uncertainty

- Use stringent model acceptance criteria
- Screen for non-routine events
- Fall-back M&V Approach:
 - "Bad" buildings
 - Critical projects
- Avoided energy use
 - Less error than normalized savings
 - Includes extremes, reflects actual impacts

Mitigate Uncertainty & Maximize Savings

Reduce Saving Uncertainty

- Use stringent model acceptance criteria
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Increase Program Savings

- Accurate models capture lower levels of savings ~ more savings reported
- Lower % savings allowable ~ broader range of eligible projects
- More accurate models ~ better detection and remediation of non-routine events
- More accurate savings ~ higher realization rates

Minimize Uncertainty in Baseline Model

Industry Guideline	Model Fit Criteria			
	CV(RMSE)	R ²	NMBE	Other Requirements
ASHRAE G14 - Whole Building Performance Path	Varies. See FSU	None	< 0.005%	 ✓ Fractional Savings Uncertainty (FSU) < 50% annual savings at 68% confidence level³⁹ Note: FSU ~ f(Cv(RMSE), % savings, # baseline & reporting period points)
ASHRAE G14 - Whole Building Prescriptive Path	<25%	None	< 0.005%	 ✓ Expected savings > 10% ✓ Daily data is minimum interval ✓ Baseline model uncertainty, depends on length of reporting period: Energy < 20 - 30%, Demand < 30 - 40%
Superior Energy Performance (SEP) M&V Protocol	None	> 0.50	None	 ✓ F-test for overall model fit must have a p-value < 0.1 (i.e., the overall fit of the model is greater than the 10% significance level). ✓ All included relevant variables in the model shall have a p-value of less than 0.20. ✓ At least one of the relevant variables in the model shall have a p-value of less than 0.10.
BPA Regression for M&V: Reference Guide	A low value is desirable (often interpreted as 10% or 15%)	> 0.75*	< 0.005%	 ✓ p-value for independent variables <0.10 to 0.01 ✓ t-statistic for independent variables >1.96 (95% confidence level) ✓ F-statistic (used for entire model instead of individual variables; Larger the better.) ✓ Adjusted R-squared for multiple regression models. ✓ A low R² does not indicate a poor model; Professional judgment should be applied. (*) This is a rule of thumb value

IPMVP's Snapshot on AM&V

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Screen for Non-Routine Events (NREs)

Baseline Period:

Increased uncertainty in energy model

Implementation Period:

Can obscure savings from ECMs

Reporting Period:

- Direct increase or decrease in Avoided energy use, or
- Added uncertainty in reporting period model



SBW Consulting

Areas of Ongoing Development

- Open-source software
- Methods for determining savings uncertainty
- Evaluation of aggregated approaches
- Automated detection methods NRE



RMV2.0

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Technical Resources

Organization	Document
BPA	3_BPA_Regression for M&V: Reference Guide
BPA	7_BPA_Verification By Energy Modeling
ASHRAE	ASHRAE 14 - 2014
EVO	IPMVP Core Concepts
EVO	IPMVP Uncertainty Assessment Application Guide
EVO	IPMVP's Snapshot on Advanced Measurement & Verification
NW SEM Collaborative	SEM Energy Modeling Method Selection Guide
LBNL	Connecticut Department of Energy and Environment: Advanced Measurement and Verification (M&V) Implementation Resource Guide
Seattle City Light	Deep Retrofit Pay for Performance - A How-To-Guide & User Manual for Commercial Customers

IPMVP Application Guide on Advanced M&V Methods and Non-Routine Adjustments - Coming soon!

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Thank you!

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Carmen Best Recurve

The State Perspective: Developing and Applying Guidance

RECURVE

SHAPE THE FUTURE OF ENERGY

DOE - NEEP Advanced M&V Webinar Carmen Best, Director of Policy & Emerging Markets

April 30, 2020



/əd'vanst/

adjective

adjective: advanced

far on or ahead in development or progress. "negotiations are at an advanced stage"

new and not yet generally accepted.
 "his advanced views made him unpopular"



Advanced History of NMEC in California

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Normalized Metered Energy Consumption

Is a Means To Streamline and Scale EE to Double Energy Efficiency in California

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California Energy Commission

SB 350 – Energy Efficiency

- On or before Nov 1, 2017, CEC in collaboration with CPUC and publicly owned utilities, shall establish EE savings and demand reduction targets to achieve a cumulative doubling of statewide energy efficiency savings in electricity and natural gas final end uses of retail customers
- EE potential studies not restricted by previous levels of success in achieving utility EE program savings
- Measuring progress shall take into consideration the overall reduction in normalized metered electricity and natural gas consumption
 - Better supports performance-driven outcomes

"The energy efficiency savings and demand reduction . . . achieving the targets established pursuant to paragraph (doubling of EE by 2030) <u>shall</u> be measured taking into consideration the overall reduction in normalized metered electricity and natural gas consumption where these measurement techniques are feasible and cost effective."

- SB 350

CPUC Response in the NMEC Ruling

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- The Ruling was modeled after the regulatory requirements for **behavior programs**.
- Intended to provide more timely information to customers, program administrators and regulators on performance without significant re-casting of savings on an ex post basis.
- **Upfront agreement and review of methods** appropriate for the program and in some cases for the specific project
- Process of advice letter review served as the "case law" documenting the detailed direction on the proposals and methods coming from the Commission.

Ruling on High Opportunity Programs and Projects - CPUC 2015

Advanced = Enabling Effective Application of M&V

RECURVE

M&V Protocols and standards . . .



Revenue Grade = Transparent, Consistent, Repeatable



- Standard M&V Calculation Methods
- Monthly, Daily, and Hourly
- Public Stakeholders Empirical Process
- <u>www.CalTRACK.org</u>

- Python CalTRACK Engine
- Open Source <u>Apache 2.0</u>
- How It Works: <u>https://goo.gl/mhny2s</u>
- Code Repo: <u>https://goo.gl/qFdW4P</u>



Advanced = Enabling Flexibility + Accountability

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The Market is Complex

RECURVE

Meter-based Demand Flexibility is Technology and Business Model Agnostic



CPUC NMEC Rulebook 2.0 - Overview

Details the **Program Level Requirements** including:

- M&V plan requirements
- Payments & Incentives

General Requirements include detailed information on:

- Commission roles for review
- Tools, Methods, Analytical Approaches and Calculation Software
- Savings claims

Definitions & Matrix of Approval Requirements

Weinbar: How to Make the New Mandatory NMEC Rulebook Work for Your Program





Population-Level NMEC



For More Detail: CPUC Releases Version 2.0 of the Meter-Based NMEC Rulebook



Tools, Methods, Analytical Approaches & Calculation Software

Ex-post Evaluation:	subject to Commission review of savings measurement methods and estimates, for purposes of program and/or project-level feedback and for purposes of ex-post impact evaluation		
Savings Calculations:	All analytical methods, including tools, algorithms and software used in savings and incentive or compensation payment calculations, must be made available		
Measurement Period:	Savings determinations must be made by comparing at least 12 months of post- intervention energy consumption to at least 12 months of pre-intervention energy consumption.		
Transparency:	Data, methods and calculations must be made available to the PAs well as the Commission and its impact evaluators.		
Documentation and Replicability:	methods used to calculate savings for NMEC programs must be documentedsuch that savings calculations are able to be replicated		
Consistent, Pre- Set Method:	For Population-level NMEC programs, the specific measurement method(s) and calculation software must be determined before the program begins and applied uniformly		
Proprietary Methods & Software:	Savings measurement methods and calculation software that is public, and especially those that are open-source, benefit from a stakeholder vetting process that allows experts and practitioners to share their knowledge and use updated information to inform savings estimates.		



"Proprietary Methods & Software: Savings measurement methods and calculation software that is public, and especially those that are opensource, benefit from a stakeholder vetting process that allows experts and practitioners to share their knowledge and use updated information to inform savings estimates. The Commission has supported the development of public, open-source processes to develop NMEC methods (e.g. CALTRACK) and encourages stakeholders to engage in these opensource initiatives." p. 18





Population NMEC M&V Plan & Compliance Checklist



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Impact Evaluation Specification Comparison Group Methods

- Matching Approach & Criteria
- Statistical Metrics

ad·vanced M&V

/əd'vanst/

- Democratized **access** to impact evaluation results
- More **cost effective** delivery of demand side strategies with insights from M&V
- **Transparent**, consistent understanding of performance
- Incremental improvements in methods identified through practice
- Scaled investments in energy efficiency and other demand side strategies



ad·vanced M&V =



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Future Directions

Future Directions



- What guidelines are needed short term/long term?
- Future directions for AM&V?


THANK YOU!

For more information, contact: <u>etitus@neep.org</u> <u>kevin@warren-energy.com</u> <u>ecrowe@lbl.gov</u> <u>lwebster@facilityenergysolutions.com</u> <u>carmen@recurve.com</u>