

SEC INTERROGATORY #11

INTERROGATORY

[B/1/3, p. 4 and 6]

Please confirm that the Utilities and the EAC use the dual baseline method for calculating savings for early replacements. Please describe the dual baseline method, and identify the places in the TRM in which it is references. Please define the term RUL (Remaining Useful Life) and explain why it is not included in the TRM definitions.

RESPONSE

For the purpose of the Technical Reference Manual ("TRM"), savings are not established using a dual baseline method. The consultant was mandated to assess baselines as part of the project. Early replacement of equipment was considered by the consultant in discussion with the Technical Evaluation Committee ("TEC") and TRM subcommittee.

Dual baseline energy savings are calculated by combining two savings amounts; the difference between the efficiency improvement relative to the existing efficiency for the number of years that piece of equipment would have Remaining Useful Life ("RUL"); the second savings amount is based on an assumed baseline (e.g. minimum standards efficiency for the remaining life of the energy efficient measure) in comparison to the upgraded efficiency case.

RUL is the length of time an existing measure or piece of equipment is anticipated to last and perform as expected. The RUL definition has not been included in the TRM since the substantiation documents do not rely on dual baseline savings, as discussed above.

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