

## Instructions for Requesting Exemption of Specific Projects from Fees

v1. - March 2014

Complete [the online form](#) to document specific, individual energy conservation measures (ECM) in order to request an exemption of the resulting energy reductions from ES2's fees. This process is designed to separate reductions in energy consumption due to other ECMs from the savings achieved by the statewide behavioral conservation program.

- All requests for exempting the impact of an ECM must be submitted by completing the online form and emailing any supporting documents to the State Energy Program Office at [20x2020@omes.ok.gov](mailto:20x2020@omes.ok.gov) and ES2 at [cfarr@es2ok.com](mailto:cfarr@es2ok.com).
- Each ECM should be documented individually on a separate form.
- All references to years and quarters are based on the calendar year rather than the fiscal year.
- The State Energy Program Office and ES2 will review all submitted requests and jointly determine approval of exemptions from fee calculations.
- To be approved for exemption, project documentation must meet the standards of the International Performance Measurement and Verification Protocol (IPMVP). Agencies are responsible for meeting this standard, which is available for free on [the website of the Efficiency Valuation Organization](#). Alternatively, a value added service under the SW125 contract is available for an hourly fee for ES2 to consult with agency staff regarding compiling this documentation.
- If the request for exemption is approved, the impact of that ECM will not be included in the calculations of ES2's fees for each quarter applied for, up to four quarters. While 2014 energy consumption will be compared to 2012 energy consumption, for all following years each quarter is compared to the same quarter of the immediately previous year. Therefore, four quarters after implementation of the ECM, the quarter in which the ECM was implemented will function as the comparison for calculating ES2's fees moving forward. The impact of the ECM no longer needs to be exempted because ES2 will only earn fees based on further reductions from that point. If an ECM was implemented near the end of a quarter, an agency may request a partial exemption of a fifth quarter of fees. Whether an agency takes a partial first quarter exemption and/or partial fifth quarter exemption, the total period of exempting fees will not exceed 365 days due to the rolling baseline.

### Deadlines for Exemption Requests from 2014 Fees

Fees for each quarter in 2014 will be calculated by comparing the utility consumption in that quarter of 2014 to the consumption in that quarter of 2012, while taking into consideration differences in weather. However, ES2 will not invoice for those fees until the initial invoice in January 2015, for quarters 1-3 of 2014. Due to the delayed invoicing, and the longer time period of projects that an agency may wish to document, there are unique deadlines for completing this form for 2014 fee calculations. However, agencies are encouraged to submit their requests as early as possible.

- Exemptions from fees for Q1 and Q2 of 2014 are due by Oct. 31, 2014.

- Exemptions from fees for Q3 of 2014 are due by Nov. 31, 2014.
- Exemptions from fees for Q4 of 2014 are due by Feb. 28, 2015.

### **Deadlines for Exemption Requests in Future Years**

Requests for exemptions from fees for Q1 of 2015 and all future quarters must be requested by the end of the month prior to invoicing for that quarter, as listed below.

- Exemptions from fees for Q1 are due by May 31 of that year.
- Exemptions from fees for Q2 are due by Aug. 31 of that year.
- Exemptions from fees for Q3 are due by Nov. 30 of that year.
- Exemptions from fees for Q4 are due by the last day in February of the following year.

### **Introduction to IPMVP Measurement Options**

This summary is provided for agencies to conveniently reference. However, agencies are responsible for meeting [the full IPMVP standard](#).

#### **IPMVP Option A: Retrofit Isolation (Key Parameter Measurement)**

Savings are determined by field measurement of the key performance parameter(s). Measurement frequency ranges from short-term to continuous, depending on the expected variations in the measured parameter and the length of the reporting period. Parameters not selected for field measurement are estimated. Estimates can be based on historical data, manufacturer's specifications or engineering judgment. Documenting the source or justification of the estimation is required. Best applications are those where overall energy impact is small, and performance data is available and can be verified by "spot checking."

Example: A lighting retrofit where power draw is the key performance parameter that is measured periodically. Estimated operating hours of the lights is based on facility schedules and occupant behavior.

#### **IPMVP Option B: Retrofit Isolation (All Parameter Measurement)**

Savings are determined by field measurement of the energy use of the ECM-affected system. Measurement frequency ranges from short-term to continuous, depending on the expected variations in the savings and the length of the reporting period. Best applications are those where overall energy impact of an ECM is small, performance data is not available and complete measurements must be taken.

Example: Application of a variable-speed drive and controls to a motor to adjust pump flow. Electric power is measured with a kW meter installed on the electrical supply to the motor, which reads the power every minute. In the baseline period this meter is in place for a week to verify constant loading. The meter is then in place throughout the reporting period to track variations in power use.

#### **IPMVP Option C: Whole Facility**

Savings are determined by measuring energy use at the whole or sub-facility level. Continuous measurements of the entire facility's energy use are taken throughout the reporting period. Best applications are those where the overall energy impact of an ECM is substantial.

Example: Multifaceted energy management program affecting many systems in a facility. Energy use is measured with the gas and electric utility meters for a 12-month baseline period and throughout the reporting period.

#### **IPMVP Option D: Simulated Calibration**

Savings are determined through simulation of the energy use of the whole facility, or of a sub-facility. Simulation routines are demonstrated to adequately model actual energy performance measured in the facility. This option usually requires considerable skill in calibrated simulation. Simulations must be verified for accuracy and performed by a certified and experienced engineer.

**Example:** Multifaceted energy management program affecting many systems in a facility but where no meter existed in the baseline period. Energy use measurements, after installation of gas and electric meters, are used to calibrate a simulation. Baseline energy use, determined using the calibrated simulation, is compared to a simulation of reporting period energy use.

#### **Contact Information**

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