

**COMMONWEALTH OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD
PUERTO RICO ENERGY BUREAU**

NEPR

Received:

Jun 29, 2022

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IN RE:
DEMAND RESPONSE PLAN REVIEW,
IMPLEMENTATION, AND MONITORING

CASE NO.: NEPR-MI-2021-0006

SUBJECT: Submittal of LUMA's Presentation for
Workshop Scheduled for June 29, 2022

**MOTION SUBMITTING LUMA'S PRESENTATION IN ANTICIPATION OF
TECHNICAL WORKSHOP OF JUNE 29, 2022**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME now **LUMA Energy, LLC** ("ManagementCo"), and **LUMA Energy ServCo, LLC** ("ServCo"), (jointly referred to as "**LUMA**"), and respectfully state and request the following:

1. On December 10, 2020, the honorable Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") adopted the Regulation for Demand Response ("Regulation for DR")¹ (*see* Energy Bureau's Resolution of that date in Case Number NEPR-MI-2019-0015, *In Re: Regulation for Energy Efficiency and Demand Response*) requiring, in pertinent part, that the Puerto Rico Electric Power Authority ("PREPA") or its successor, LUMA, file with the Energy Bureau a Three-Year Demand Response Plan ("Three-Year DR Plan") within six months of its effective date and providing for the Energy Bureau to establish, by resolution or order, the filing deadline for the Three-Year DR Plan. *See* Regulation on DR, Section 3.02(C)(1)(a).

2. On March 24, 2021, PREPA filed with the Energy Bureau a motion requesting the Energy Bureau to schedule a Technical Conference to clarify questions regarding the Three-Year

¹ Regulation for DR, December 21, 2020, Regulation 9246.

DR Plan, its contents, the DR baseline, and potential studies. *See* PREPA’s *Motion to Request a Pre-Filing Technical Conference Regarding PREPA’s Three Year Demand Response Plan*, filed on that date in Case Number NEPR-MI-2019-0015, *In Re: Regulation for Energy Efficiency and Demand Response*. Consequently, on April 21, 2021, the Energy Bureau issued a Resolution and Order (“April 21st Order”), which commenced the instant proceeding.

3. After several procedural developments, a first Technical Conference was held on June 15, 2021 (the “June 15th Technical Conference”). LUMA’s consultants provided a presentation in which they proposed a phased and integrated EE-DR development approach and extended timeline for implementation, given the lack of baseline and potential studies and unavailability of a PR Cost Test.

4. On January 21, 2022, the Energy Bureau published the final version of the Regulation for Energy Efficiency (“EE Regulation”).² The EE Regulation requires, in pertinent part, that PREPA or its successor, LUMA, file with the Energy Bureau, on or before March 1, 2022, a plan to implement “quick start” Energy Efficiency programs during a two-year transition period (“Transition Period Plan”), covering the period from July 1, 2022 through June 30, 2024 (*see* Regulation for EE, Section 2.01) and develop and file with the Energy Bureau a Three-Year EE Plan to be implemented over a three-year period following the mentioned transition period, covering the period from July 1, 2024 through June 30, 2027, and each subsequent three year period (*see id.* at Sections 4.02 and 4.03).

5. On February 1, 2022, this Energy Bureau issued a Resolution and Order (the “February 1st Order”) to detail the actions that directly follow the approval of the EE Regulation

² The EE Regulation was at the time assigned the number 9354 by the Puerto Rico State Department. Regulation number 9354 was subsequently annulled and the EE Regulation was resubmitted to the State Department and approved by the Puerto Rico Department of State on March 25, 2022, being assigned number 9367.

consisting of “1) [...] establish[ing] a schedule for the filing of the first Three-Year DR Plan to coincide with the Transition Period Plan and the start of the [EE] programs 2) [...] invit[ing] all stakeholders to participate in a workshop [scheduled for February 28, 2022 (the “February 28th Workshop”)], regarding the process for developing and implementing the Three-Year DR Plan and its association with the Transition Period Plan; and 3) [...] providing a template for the Transition Period Plan under Section 2.02(C) (4) of the EE Regulation.” See February 1st Order at p. 2. In the February 1st Order, the Energy Bureau also indicated that a related purpose of the order referred to “the coordination of various processes to implement the EE Regulation and the Regulation for [DR]” and “expanded the scope of the instant proceeding to include EE alongside DR”. *See id.*

6. In addition, in the February 1 Order, the Energy Bureau amended the deadline to submit both the Three-Year DR Plan and the EE Transition Period Plan to June 6, 2022, providing an implementation start date for both of October 1, 2022, and for both to cover the period from October 1, 2022, to June 30, 2024. *See id.* at pp. 2-3.

7. The Energy Bureau also directed LUMA to “prepare to present, during the [February 28th Workshop], its current plans for the development and launch of quick-start EE and DR programs, as well as the other types of activities it is planning to undertake during the Transition Period to facilitate the ramp-up of the EE and DR programs and development of the EE and DR workforce.” *See id.* at p. 3.

8. The February 28th Technical Workshop was thereafter rescheduled by this Energy Bureau for March 9, 2022, at 10:00 a.m. *See* Energy Bureau’s Resolution and Order of February 25, 2022.

9. The March 9th Workshop was held as scheduled and LUMA representatives appeared therein and provided the March 9th Presentation. In this presentation, LUMA proposed filing with the Energy Bureau a proposed integrated EE and DR Transition Period Plan (“EE/DR Transition Period Plan”) by the established June 2022 deadline (*see* March 9th Presentation at slide 9), which programs/pilots would be launched in October 2022 (*see id.* at slide 10). LUMA explained that it would “include the Transition Programs for EE and DR within a joint filing to minimize redundancy and present an integrated EE/DR portfolio structure”. *See id.* This proposed EE/DR Transition Period Plan would include “descriptions of each pilot program along with the information on portfolio management and implementation”. *See id.*

10. On June 2, 2022, LUMA submitted a motion requesting an extension until June 21, 2022, to submit the proposed EE/DR Transition Period Plan.

11. On June 8, 2022, the Energy Bureau issued a Resolution and Order granting LUMA’s request to extend the filing deadline for the EE and DR Transition Period Plan by fifteen (15) days, until June 21, 2022 (the “June 8th Order”). In addition, the Energy Bureau scheduled a Workshop on the EE and DR Transition Period Plan to be held on June 29, 2022, at 10:00 a.m., indicating that LUMA should anticipate presenting the plan in detail and answering questions from the Energy Bureau and participants regarding the plan.

12. In compliance with the June 8th Order, on June 21, 2022, LUMA submitted the Proposed Energy Efficiency and Demand Response Transition Period Plan. *See Motion Submitting Proposed EE/DR Transition Period Plan.*

13. In anticipation of the June 29th scheduled Workshop, LUMA hereby submits to this Energy Bureau a copy of the presentation it will provide during the June 29th Workshop. *See Exhibit 1.*

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned and accept the attached presentation to be given by LUMA during the Workshop to be held on June 29, 2022.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 29th day of June 2022.

We hereby certify that we filed this Motion using the electronic filing system of this Energy Bureau and that we will send an electronic copy of this Motion to the attorneys for PREPA, **Joannely Marrero-Cruz**, jmarrero@diazvaz.law; and **Katiuska Bolaños-Lugo**, kbolanos@diazvaz.law.



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Exhibit 1

*Demand Response and Energy Efficiency
Transition Period Plan Stakeholder Workshop Presentation*








Demand Response and Energy Efficiency Transition Period Plan Stakeholder Workshop

NEPR-MI-2021-0006
June 29, 2022



LUMA's Mission

LUMA and our more than 3,000 co-workers are working hard every day to build a more reliable, more resilient and cleaner energy system for the 3.2 million friends, family and neighbors who we are privileged to serve.

Company Priorities	Objectives
 Safety	Reform utility activities to support a strong safety culture focused on employee safety and the safety of the people of Puerto Rico.
 Customer Service	Transform operations to deliver a positive customer experience and deliver safe, reliable electricity at reasonable prices.
 System Resiliency	Effectively deploy federal funding to restore the grid and improve the resilience of vulnerable infrastructure.
 Operational Excellence	Enable employees to pursue operational excellence through new systems, processes, training and a safe workplace.
 Renewable Energy	Modernize the grid and the utility to enable the sustainable energy transformation.

In the first six months of operation, LUMA made significant progress across multiple areas and energy priorities of importance to its 1.5 million customers, including:

Recent Progress

RELIABILITY & RESILIENCY



- 1,800** power poles replaced
- Dozens** of critical distribution breakers upgraded
- 100** substations cleared of hazardous vegetation
- 3** substations restored
- 1M** Pounds of trash, waste and debris cleared and disposed of


CUSTOMER EXPERIENCE



- 25** customer service centers reopened
- 4** new customer contact centers opened
- 1** minute answer time (reduced from 26 minutes 3 seconds)
- 17%** more customer calls answered
- <10**-minute wait at Customer Service Centers
- 80**-point improvement in J.D. Power Customer Satisfaction (CSAT)
- 590,985** fielded calls (39% increase from PREPA)


*Compared to prior reporting periods

FEMA/CAPITAL PROJECTS



- 4** projects awaiting FEMA project number (~\$0.1B)
- 10** programs approved by PREB; projects to be defined and submitted to FEMA (~3.1B)
- 97** projects to be assigned to A&E firm (~\$3.3B)
- 63** projects assigned and preliminary engineering started (~\$1.0B)
- 4** projects submitted to FEMA; working through 406HM details (~\$0.03B)
- \$14.5B** in climate and resilience funding available

RENEWABLE ENERGY



- 15,000+** customers connected to renewable energy, totaling 70 MW
- ~2,100** DG services activated per month from July –Nov. 2021
- 1,000 MW** of new utility-scale renewable energy being integrated
- 175 MW** from three other utility scale wind and solar energy facilities

PEOPLE FIRST, SAFETY ALWAYS



- 3,000+** LUMA employees
- OSHA recordable injury rate*** Decreased by **23%**
- OSHA severity injury rate*** Decreased by **30%**

*During Sep-Nov. 2021 from previous three months

Agenda

1. Overview of the Transition Period Plan (TPP)
2. Program Descriptions
3. Program Implementation
4. Program Summary Tables: Savings and Costs
5. Data Tracking, Reporting, Quality Assurance and EM&V

Overview of the TPP

Why Energy Efficiency Programs?

VALUE OF ENERGY EFFICIENCY

- Reduces electricity bills and business operating costs
- Creates local jobs
- Reduces dependence on imported fuel
- Helps improve grid reliability and reduce infrastructure costs
- Reduce emissions and air pollution

Barriers to Adoption

Lack of Awareness
& Information



Initial Costs



Service Provider
Availability



Program Solutions

Education & Outreach
Tools, Resources, Services



Incentives & Financing



Contractor Oversight &
Training



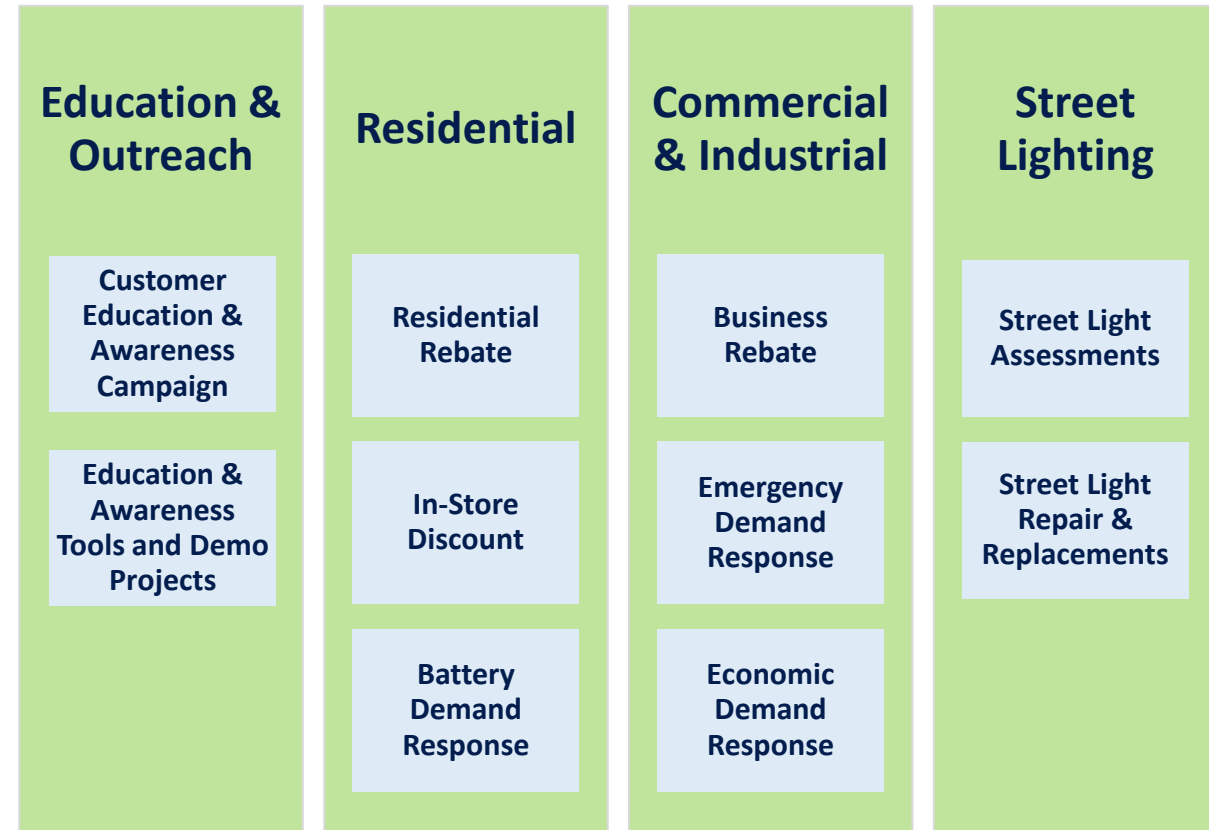
EE programs help customers overcome barriers to adoption, to achieve the benefits of EE investments.

Transition Period Programs

The Transition Period Plan contains a portfolio of energy efficiency (EE), demand response (DR) and education and outreach programs, selected to meet the following criteria:

- Quick to Launch
- Raise Energy Education and Awareness
- Achieve Energy / Bill Savings
- Ease of Participation
- Ease of Implementation
- Contribute to Workforce Development
- Customer Equity
- Fill Gaps in the Market
- Cost-Effective
- High Savings Potential (scalability)

Proposed Transition Period Programs



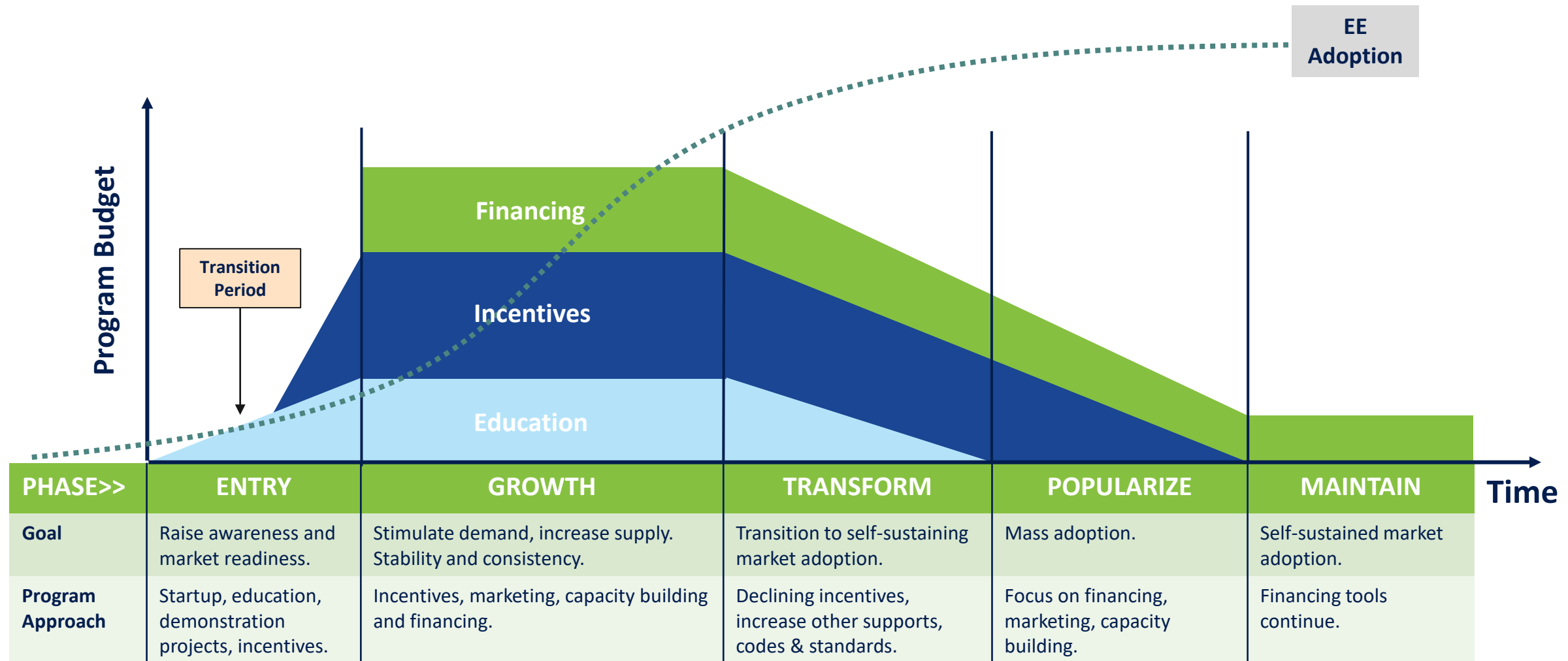
Transition Period Objectives

The TPP is designed to test and refine a portfolio of quick-start programs and projects over the next two years (the “Transition Period”), before scaling up to full program operations.

During the Transition Period, LUMA’s Quick-Start programs will help to:

- Gain understanding of the current state of the PR market for EE products and services
- Gain understanding of customer needs and how to address barriers to adoption in Puerto Rico
- Begin to raise awareness of EE program benefits and willingness to participate in programs
- Begin developing solutions to program administration and delivery challenges before scaling up

Long-Term EE Market Transformation Roadmap



Program Descriptions

Education & Outreach Program

Program Summary

Provides educational tools, information resources and outreach initiatives to raise awareness of energy efficiency and demand response technologies for achieving energy bill savings.

Program Objectives

- Improve knowledge of energy consumption and savings opportunities
- Stimulate enrollment in EE programs
- Support community and stakeholder initiatives
- Achieve energy savings

Target Market

- All customer segments

Program Features

- Online customer education and engagement tools (e.g. energy audit, savings calculators, marketplace)
- Technical assistance for community projects
- Home energy reports with personalized information about customer consumption patterns
- Technical assistance for project grant funding proposals

Program Savings and Cost Estimates

Description	Yr. 1 Estimate	Yr. 2 Estimate	Total
Energy Savings (MWh)	N/A	N/A	N/A
Planned Audience	TBD	TBD	TBD
Total Costs (\$)	\$1,500,000	\$1,500,000	\$3,000,000



Residential-Energy Efficiency Rebate Program

Program Summary

The residential rebate program will provide customers a financial incentive for purchasing and installing high efficiency measures from a list of eligible measures.

Program Objectives

- Achieve energy and bill savings
- Provide low-cost savings opportunities
- Simple rebate application process
- Reduce greenhouse gas emissions

Target Market

- All Residential customers
- Potential low-income enhancements

Measures and Incentives

Eligible Measures	Annual Energy Savings (kWh)	Incentive per measure (\$)
Ductless Air Conditioner	395	\$200
Window Air Conditioner	331	\$50
ENERGY STAR LED Lighting	30	\$3
Solar Water Heater	1,825	\$250
Tankless Water Heater	529	\$50
ENERGY STAR Refrigerator	51	\$50

Program Savings and Cost Estimates

Description	Yr. 1 Estimate	Yr. 2 Estimate	Total
Energy Savings (MWh)	7,209	14,536	21,746
Planned Participants (#)	10,203	21,983	32,186
Total Costs (\$)	\$2,294,450	\$5,097,636	\$7,392,086



Residential-Battery Demand Response Program

Program Summary

This program will target residential customers with behind the meter (BTM) batteries and provide incentives for load shifting to batteries during DR events.

Program Objectives

- Reduce peak demand to improve reliability
- Test the use of behind-the-meter batteries for load flexibility and grid services

Target Market

- Residential customers with batteries

Incentive Strategy

- Prescriptive incentives for load shifted to battery during peak period (\$/kWh)
- Incentive provided through bill credits or rebate check
- Contingent upon integrating battery data with billing system

Program Savings and Cost Estimates

Description	Yr. 1 Estimate	Yr. 2 Estimate	Total
Peak Demand Savings (MW)	-	3.5	3.5
Planned Participants (#)	-	2,000	2,000
Total Costs (\$)	-	\$610,034	\$610,034



Commercial & Industrial-Business Energy Efficiency Rebates

Program Summary

The business rebate program offers financial incentives for purchasing and installing eligible measures.

Program Objectives

- Achieve energy and bill savings
- Provide low-cost savings opportunities
- Simple rebate application process
- Reduce greenhouse gas emissions

Target Market

- All Commercial & Industrial customers

Measures and Incentives

Eligible Measures	Annual Energy Savings (kWh)	Incentive per measure (\$)
HVAC Rooftop AC	200-400	\$100-\$200 per ton
HVAC Chillers	150-300	\$45 per ton
Water Heating	2,150	\$675 per WH
Refrigerator	490	\$100 per unit
Combination Oven	13,804	\$500 per unit
Fryer	1,876	\$250 per unit

Program Savings and Cost Estimates

Description	Yr. 1 Estimate	Yr. 2 Estimate	Total
Energy Savings (MWh)	9,370	23,402	32,772
Planned Participants	5%	5%	-
Total Costs (\$)	\$2,250,000	\$5,625,000	\$7,875,000



Residential-In Store Energy Efficiency Discount Program

Program Summary

The In-store Discount program will offer a fixed, point-of-sale discount for eligible measures at participating retail stores. Participating retailers will sign an agreement with LUMA to participate and agree to the discount redemption process.

Target Market

- All Residential customers

Program Objectives

- Promote low-cost bill savings opportunities to residential customers
- Simple, point-of-sale discount to reduce barriers to participation
- Achieve energy savings and GHG emissions reductions

Measures and Incentives

Eligible Measures	Annual Energy Savings (kWh)	Incentive per measure (\$)
ENERGY STAR LED Lighting	30	\$3
Air Conditioner	300	\$200
Tankless Water Heater	530	\$50
ENERGY STAR Refrigerator	50	\$50

Program Savings and Cost Estimates

Description	Yr. 1 Estimate	Yr. 2 Estimate	Total
Energy Savings (MWh)	-	3,419	3,419
Planned Participants	-	4,035	4,035
Total Costs (\$)	-	\$1,125,000	\$1,125,000



Commercial & Industrial-Business Energy Efficiency Rebates

Program Summary

The business rebate program offers prescriptive financial incentives for purchasing and installing eligible measures.

Program Objectives

- Achieve energy and bill savings
- Provide low-cost savings opportunities
- Simple rebate application process
- Reduce greenhouse gas emissions

Target Market

- All Commercial & Industrial customers

Measures and Incentives

Eligible Measures	Annual Energy Savings (kWh)	Incentive per measure (\$)
HVAC Rooftop AC	200-400	\$100-\$200 per ton
HVAC Chillers	150-300	\$45 per ton
Water Heating	2,150	\$675 per WH
Refrigerator	490	\$100 per unit
Combination Oven	13,804	\$500 per unit
Fryer	1,876	\$250 per unit

Program Savings and Cost Estimates

Description	Yr. 1 Estimate	Yr. 2 Estimate	Total
Energy Savings (MWh)	9,370	23,402	32,772
Planned Participants	5%	5%	-
Total Costs (\$)	\$2,250,000	\$5,625,000	\$7,875,000



Commercial & Industrial Emergency Demand Response

Program Summary

Under this program, customers voluntarily reduce load and/or shift load to back up generators during DR Events triggered by reliability/emergency conditions on the grid.

Program Objectives

- Reduce peak demand in response to grid emergencies
- Demonstrate large C&I customers willingness and capability to provide load reductions in response to grid emergency conditions

Target Market

- LUMA's largest 100 customers with backup generators

Incentive Strategies

- Prescriptive capacity payment for nominated load reduction (\$/kW-Month)
- Plus, energy compensation (\$/kWh) when events are called
- Incentive provided through bill credits or rebate payment

Program Savings and Cost Estimates

Description	Yr. 1 Estimate	Yr. 2 Estimate
Total Peak Demand Savings (MW)	10.5	21.1
Planned Participants	3-5	7-10
Total Costs (\$)	\$2,108,317	\$4,216,634



Commercial & Industrial Economic Demand Response

Program Summary

This program includes voluntarily load reduction and/or load shifting during DR events triggered by economic conditions (high energy prices).

Program Objectives

- Reduce peak demand to improve reliability
- Demonstrate large C&I customers willingness and capability to provide load reductions in response to economic events

Target Market

- LUMA's largest 100 customers with backup generators and/or energy storage

Incentive Strategy

- Prescriptive incentive (\$/kWh) for load reductions relative to baseline
- Incentive provided through bill credits or rebate payment

Program Savings and Cost Estimates

Description	Yr. 1 Estimate	Yr. 2 Estimate
Total Peak Demand Savings (MW)	2.2	4.4
Planned Participants	5	10
Total Costs (\$)	\$245,472	\$336,415



Street Lighting Conversion Program

Program Summary

This is a FEMA-funded program designed to repair or replace hurricane-damaged streetlight infrastructure, which includes upgrading to LED lighting.

Program Objectives

- Increase energy efficiency
- Enhance reliability
- Improve resiliency to withstand extreme weather events
- Reduce Operation and Maintenance Costs
- Improve public safety
- Improve customer experience

Program Highlights

- Community Streetlight Initiative is a \$1.2 billion FEMA funded-program
- Upgrade to applicable codes and standards
- Program officially launched in June 2022 and will continue until 2040

Program Savings and Cost Estimates

Description	FY23 Estimate	FY24 Estimate	Total
Energy Savings (MWh)	41,000	83,000	124,000
Planned Replacements (#)	89,767	89,767	179,534
Total Costs (\$M)	\$105.0	\$70.0	\$175.0



Program Implementation

Program Management and Implementation Strategy

LUMA intends to hire a “turnkey” Implementation Contractor to implement the TPP pilots.

Key Program Function	LUMA Role	Implementation Contractor Role
Program Administration	✓	
Application Review and Approval		✓
Incentive Processing and Payment		✓
Marketing, Participant Recruitment		✓
Local Contractor Outreach, Training and Management		✓
Call Center and Customer Resolution	✓	✓
QAQC and Verification		✓
Data Tracking and Reporting	✓	✓

Implementation Planning



Pre-Launch Implementation Planning. LUMA will engage Implementation Contractor to conduct pre-launch activities:

- Finalize program design details (measure list, incentive levels, terms and conditions, etc)
- Develop program materials and IT systems (website content, application forms, etc)
- Begin customer/contractor outreach

Education & Outreach Program Launch. IC will focus on completing pre-launch implementation activities for the Education and Outreach to prepare for launch during Fall, 2022.

Secure Funding for Incentive Programs. IC will also begin pre-launch implementation activities for incentive programs, though launch date contingent on securing additional funding.



Program Launch Schedule

Program	Program	Launch Timeframe
Education & Outreach Programs	Customer Education / Awareness	Program Year 1
Residential Programs	Residential Rebates	Program Year 1
	In-Store Discounts	Program Year 2
	Battery DR	Program Year 2
Commercial & Industrial Programs	Business Rebates	Program Year 1
	Emergency DR	Program Year 1
	Economic DR	Program Year 2

TPP Summary Tables

Summary of Energy and Demand Savings by Program

Programs	PROGRAM YEAR 1		PROGRAM YEAR 2	
	Annual Electricity Savings (MWh)	Peak Demand Savings (MW)	Annual Electricity Savings (MWh)	Peak Demand Savings (MW)
Residential Programs	7,209	4.6	17,955	14.9
Residential Rebates	7,209	4.6	14,536	9.2
In-Store Discount	-	-	3,419	2.2
BTM Battery DR	-	-	-	3.5
C&I Programs	9,370	15.2	23,402	31.8
Business Rebates	9,370	2.5	23,402	6.3
Emergency DR	-	10.5	-	21.1
Economic DR	-	2.2	-	4.4
Education & Outreach	-	-	-	-
Total Portfolio	16,580	19.8	41,357	46.6

*These numbers are preliminary planning estimates, based on measure data from other jurisdictions, and are subject to high degree of uncertainty.



Total Estimated Costs by Activity

Programs	PROGRAM YEAR 1			PROGRAM YEAR 2		
	Program Admin. (\$M)	Participant Incentives (\$M)	Total Cost (\$M)	Program Admin. (\$M)	Participant Incentives (\$M)	Total Cost (\$M)
Residential Programs	\$0.79	\$1.46	\$2.25	\$2.86	\$4.50	\$7.36
Residential Rebates	\$0.79	\$1.46	\$2.25	\$1.97	\$3.66	\$5.63
In-Store Discount	-	-	-	\$0.39	\$0.73	\$1.13
BTM Battery DR	-	-	-	\$0.50	\$0.11	\$0.61
C&I Programs	\$1.83	\$2.77	\$4.60	\$3.86	\$6.32	\$10.18
Business Rebates	\$0.79	\$1.46	\$2.25	\$1.97	\$3.66	\$5.63
Emergency DR	\$0.84	\$1.26	\$2.11	\$1.69	\$2.53	\$4.22
Economic DR	\$0.20	\$0.05	\$0.25	\$0.20	\$0.14	\$0.34
Education & Outreach	\$1.50	-	\$1.50	\$1.50	-	\$1.50
Cross-Cutting	\$1.50	-	\$1.50	\$1.50	-	\$1.50
Total Portfolio	\$5.62	\$4.24	\$9.85	\$9.72	\$10.82	\$20.54

Summary of Program Costs by Funding Source

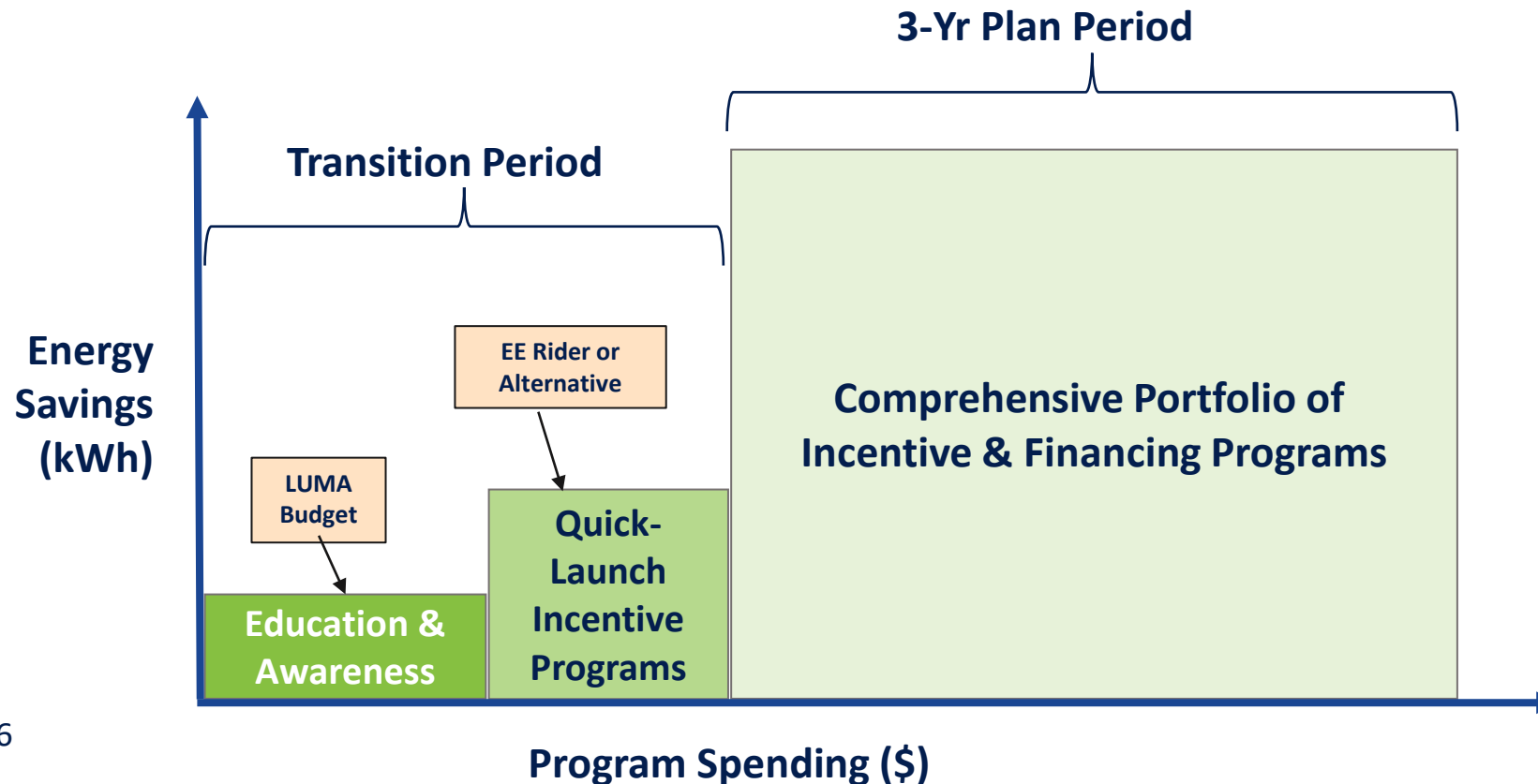
Of the estimated \$10M cost for Program Year 1, LUMA has contributed approximately \$4.6M.

Program	A) Total Estimated Program Costs (\$M)	B) Allocation of Funds from Existing Budget (\$M)	C) Incremental Funds Required for Program Year 1 (\$M)
Residential Programs	\$2.25	\$0.47	\$1.78
C&I Programs	\$4.60	\$1.10	\$3.51
Education & Outreach Programs	\$1.50	\$1.50	\$0.00
Cross-Cutting Planning, Admin & Startup Costs	\$1.50	\$1.50	\$0.00
Total Portfolio of Programs	\$9.85	\$4.57	\$5.28

Funding and Implementation Schedule

LUMA's Education & Awareness program is planned to begin in Fall 2022 and will help communicate the value of further investment in EE programs.

Incentive programs can launch when additional funding is secured.



Funding Sources and Cost Recovery Mechanism

A stable, dedicated source of funding is essential for successful EE programs, which are typically funded through a rate rider or similar cost recovery mechanism.

Item	Program Year 1 Amount
Incremental Funds Required from EE Rider (\$)	\$5,282,793
Estimated Retail Sales for FY 2023 (kWh)	16,557,146,139
Energy Efficiency Adjustment for FY 2023 (\$/kWh)	0.0003

Data Tracking, Reporting, QA/QC

Program Data Tracking Systems

- A comprehensive, centralized, standardized Excel spreadsheet tracking database.
- Key data will be tracked for every project.
- Data will be aggregated at the program and portfolio level for reporting.
- Database will be maintained through regular QA/QC and verified annually through EM&V activities.
- LUMA will provide PREB's EM&V contractor with access to the data tracking spreadsheets.

Project Tracking Data Categories

Program Data

Measure Data (type, quantity, size, efficiency)

Energy & Demand Savings

Participant Data (site, account, contact, etc)

Rebate Amount

Date Stamps

Installation Contractor Data



Reporting

- **LUMA will prepare Quarterly Reports outlining:**
 - Implementation progress
 - Summary of tracking metrics (e.g. participants, measures installed, savings achieved, etc)
- **LUMA will prepare Annual Reports detailing:**
 - Achievements and lessons learned
 - Detailed tracking metrics
 - Final annual energy and demand savings by program and sector
 - Program costs
- **LUMA will also conduct/participate in periodic stakeholder meetings**
 - Regular, ad-hoc meetings to gather feedback and resolve issues
 - Quarterly reports review/discussion
 - Bi-annual stakeholder meeting

Quality Assurance and Evaluation, Measurement, and Verification

- LUMA's implementation contractor will develop and implement quality assurance and quality control (QAQC) procedures for EE and DR programs.
- These procedures will ensure each project complies with program requirements for customer eligibility, measure installations, enrollment, and verification of savings.
- The turnkey implementation contractor will be responsible for leading quality assurance and quality control for their tasks, with LUMA providing oversight and spot checks on their work.
- Each program will be evaluated by an independent evaluator selected by PREB. LUMA will support the evaluation process and incorporate findings to improve programs.



Thank you

