

## How a National Energy Efficiency Registry Can Provide Expanded Services

*When fully developed and operational, the National Energy Efficiency Registry (NEER)\* would provide automated administration of eligibility and verified savings applications, offering states a powerful tool for public policy.*

### Background

In 2016, most U.S. renewable energy credit (REC) registries are capable of tracking tradable Instruments based on Distributed Energy Resources (DERs). Experience in Connecticut highlights the unique administrative challenges associated with documenting and verifying avoided electric energy from DERs.

The CT RPS has required electricity providers to comply with specific purchase requirements for different types of resources since 1998.<sup>1</sup> Subsequently CT added “Class III” RECs for energy efficiency (EE) sources, defined as the electricity output from combined heat and power systems or conservation and load management programs.<sup>2</sup> The CT Public Utilities Regulatory Authority (PURA)<sup>3</sup> handles all the administration for eligibility and verified savings applications submitted by EE providers. Tasks include: developing application forms; reviewing applications; document archival; process management and documentation; and issuance of compliance IDs and approval of verified savings. Tasks are executed through the PURA docketing<sup>4</sup> process, and likely require a commitment of significant state resources.

The NEER operating rules as of the mid 2016 draft would support on-line Asset Application and Asset Output Reporting tools to automate all such tasks using a common set of core functionality that states can easily customize to support their unique public policy requirements and goals. Creating standardized document archival and retrieval protocols will not only provide a much needed service to state governments but will simplify the application process for NEER EE Providers.

A key role in the eligibility and verified savings review process is the Accredited Independent Verifier (AIV). NEER would include an AIV accreditation process to support a NEER Enhanced Asset registration option, designed to meet the EPA Clean Power Plan (CPP) Model Trading Rule (MTR). States and EE Providers will be able to choose to rely on the NEER, select another existing entity, or set up their own accreditation process.

NEER would offer the best of services currently offered by both renewables and voluntary carbon registries.

### Opportunity

The CT Class III program has made great strides with over 14 qualified EE Projects<sup>5</sup> representing 46,280 MWh of verified Asset Output in 2015,<sup>6</sup> bringing an estimated \$1,448,760 of value from EE Projects<sup>7</sup>. CT Class III demonstrates that a tradable instrument based policy can be used to drive EE investment.

<sup>1</sup> Connecticut Department of Energy and Environmental Protection. (2013, April 26). *Restructuring Connecticut's Renewable Portfolio Standard*. Retrieved August 9, 2016, from [www.ct.gov/deep/lib/deep/energy/rps/rps\\_final.pdf](http://www.ct.gov/deep/lib/deep/energy/rps/rps_final.pdf), 1.

<sup>2</sup> Conn. Gen. Stat. §16-1(a)(38).

<sup>3</sup> PURA was formerly the Department of Public Utility Control (DPUC) [http://www.ct.gov/pura/cwp/view.asp?a=3157&q=404410&puraNav\\_GID=1702](http://www.ct.gov/pura/cwp/view.asp?a=3157&q=404410&puraNav_GID=1702)

<sup>4</sup> Ameresco's compliance filings provide an example of such quarterly reporting:

[http://www.dpuc.state.ct.us/dockcurr.nsf/\(Web+Main+View+All+Dockets\)?OpenView&StartKey=09-09-06](http://www.dpuc.state.ct.us/dockcurr.nsf/(Web+Main+View+All+Dockets)?OpenView&StartKey=09-09-06)

<sup>5</sup> Connecticut RPS Log, sent from CT RPS Manager Donna Devino.

<sup>6</sup> NEPOOL GIS Certificates eligible for CT Class III- Conservation Load Management (CLM) in 2015 (1 Certificate = 1 MWh)

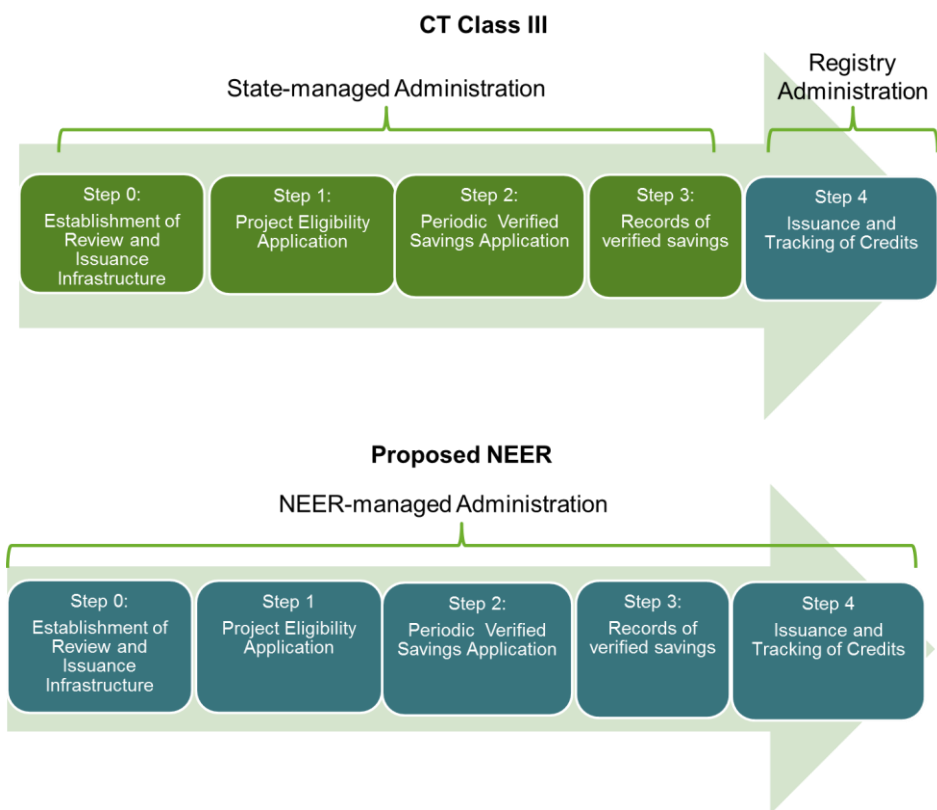
<https://www1.nepoolgis.com/myModule/rpt/myrpt.asp?r=118&TabName=RPS>

<sup>7</sup> Revenue for Class III RECs (\$199,200), plus revenue from the ISO New England Forward Capacity Market (\$1,448,760). Prices for Class III RECs sourced from Lisa Barrett, CLEARresult, and prices for 2015 capacity sourced from <http://www.iso-ne.com/about/key-stats/markets#caresults>.

Yet this program model has not been broadly adopted by states with existing Renewable Portfolio Standards. Why? In part because the administrative burden associated with managing EE Projects as a tradable instrument is daunting when compared to that needed for grid scale renewables.

At their best, software platforms such as registries define protocols and procedures that provide robust, transparent and reliable documentation of administrative tasks. The NEER is intended to serve as a way of bringing these benefits to the EE Project eligibility and verified savings application process, while at the same time delivering robust accounting of their creation. Further through its Asset Output Log, NEER would be able to account for savings representing multiple installation periods and differing measure lives, providing much needed accountability for EE Projects' complex output streams.

The figure below illustrates how NEER administration would streamline the eligibility and verified saving application process for both Client Jurisdictions and EE Providers:



\*Disclaimer: This case study has been prepared by and is the sole responsibility of E4TheFuture. E4TheFuture is not a National Energy Efficiency Registry (NEER) project partner and does not represent the U.S. DOE, the six states, and/or partners The Climate Registry (TCR) and NASEO. As such, the views expressed in this document are strictly those of E4TheFuture and may not coincide precisely with information provided by the above-referenced project, participating states, or project partners. Pat Stanton, E4TheFuture Director of National Policy serves as a consultant to TCR and as a member of the Steering/Advisory Committee for the NEER project; this case study is not paid for under the DOE award.