

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held in the City of  
Albany on November 17, 2011

COMMISSIONERS PRESENT:

Patricia L. Acampora, Deputy Chairwoman  
Maureen F. Harris  
Robert E. Curry, Jr.  
James L. Larocca

CASE 07-M-0548 - Proceeding on Motion of the Commission  
Regarding an Energy Efficiency Portfolio  
Standard.

CASE 08-E-1132 - Petition of New York State Energy Research and  
Development Authority (NYSERDA) for Approval of  
an Energy Efficiency Portfolio Standard (EEPS)  
NYSERDA-Administered Electric Energy Efficiency  
Program.

ORDER ELIMINATING MEASUREMENT AND VERIFICATION  
PLAN REQUIREMENT FOR MULTIFAMILY REFRIGERATOR REPLACEMENT

(Issued and Effective November 22, 2011)

BY THE COMMISSION:

INTRODUCTION

In this order, the Commission relieves the New York State Energy Research and Development Authority (NYSERDA) of the previously established requirement to conduct and submit a measurement and verification (M&V) study of the refrigerator replacement portion of its Electric Multifamily Performance and Low-Income Multifamily Performance Programs (MPPs). The MPPs are part of NYSERDA's Energy Efficiency Portfolio Standard (EEPS) programs. The Commission previously directed NYSERDA to conduct an M&V study for the refrigerator replacement portion of the programs that was intended to test the reasonableness of

determining cost-effectiveness of the replacements by using the manufacturers' published energy usage data rather than sample metering of refrigerators at each project site. Although the requirement to conduct this study is eliminated, NYSERDA remains responsible for conducting all other process and impact evaluation activities for these and all of its other EEPS programs as required by previous Commission orders.

#### BACKGROUND

NYSERDA's MPPs offer New York State's multifamily sector customers (tenants and building owners) a range of efficiency measures, including refrigerators, lighting fixtures and controls, HVAC equipment and insulation. The MPPs were approved as EEPS programs by a July 27, 2009 Commission order.<sup>1</sup> That order, among other things, required refrigerator replacements, on average, to have a measure Total Resource Cost ratio of at least 1.0. It also required that replacement decisions be based upon building specific screening criteria including the use of Technical Manual derived energy savings estimate protocols requiring actual metering of existing refrigerators.

On August 26, 2009, NYSERDA filed a Petition for Rehearing seeking to continue using manufactures' published energy usage data for prescreening refrigerators instead of actually metering the equipment to be replaced. The Commission granted that request.<sup>2</sup> However, in order to ensure the reasonableness of this approach, NYSERDA was directed to develop

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<sup>1</sup> Case 07-M-0548, et al., Energy Efficiency Portfolio Standard (EEPS), Order Approving Multifamily Energy Efficiency Programs with Modifications (issued July 27, 2009).

<sup>2</sup> Case 07-M-0548, et al., supra, Order On Rehearing Denying in Part and Granting in Part Petition of Rehearing (issued December 23, 2009).

and submit a plan for measuring the actual performance of a sample of replaced refrigerators and comparing the metered results to the manufacturers' usage data. The results of the study were to be submitted within 12 months of the issuance of the order directing it. On August 12, 2010, NYSERDA requested a twelve month extension of that deadline, which was granted.

On July 8, 2011, NYSERDA filed a petition requesting that the Commission eliminate the requirement that it conduct and submit the M&V study for refrigerator replacements. NYSERDA indicates that as of April 2011, all 163 refrigerator units indentified for possible replacement are associated with low-income projects. NYSERDA states that the low-income projects are unlikely to be representative of market-rate households and any study that analyzes only such units is likely to have limited value in terms of providing information on refrigerator replacement statewide.

NYSERDA also indicates that changes made to the Technical Manual work to obviate the need for the study.<sup>3</sup> Specifically, the Technical Manual now allows for adjustments to refrigerator nameplate rating information as a means for developing baseline energy use under certain conditions. NYSERDA believes that these adjustments will provide sufficiently precise baseline data for refrigerators without the estimated \$180,000 cost of the study. Given the limitations to the available sample population and the refinements to the Technical Manual, NYSERDA believes that the metering study would

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<sup>3</sup> At the time of NYSERDA's request to eliminate the requirement of conducting the study, the changes to the Technical Manual had been proposed but not yet adopted. The changes were subsequently adopted by Commission order. See Case 07-M-0548, et al., supra, Order Approving Modifications to the Technical Manual (issued July 18, 2011).

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not be worthwhile and seeks to be relieved of the requirement to conduct it.

#### NOTICE OF PROPOSED RULE MAKING

A Notice of Proposed Rulemaking concerning NYSERDA's petition was published in the State Register on August 3, 2011 [SAPA 07-M-0548SP42]. The minimum time period for the receipt of public comments pursuant to State Administrative Procedure Act (SAPA) regarding that notice expired on September 16, 2011. No comments were received.

#### DISCUSSION

Although a properly conducted study of baseline energy usage for refrigerator replacements would inform EEPS savings estimates and increase our understanding of the positive impacts and cost-effectiveness of this particular measure, it appears unwise to move forward with the M&V study at this juncture. We are primarily concerned about the size and diversity of the population of potential equipment available for actual metering. As urged by NYSERDA, we do not believe the limited population of potential replacements would be representative of existing refrigerators statewide because they are all associated with one customer segment. A study based solely on refrigerators found in low-income projects may provide some useful information, but it would be difficult to generalize the findings to other multi-family programs.

Moreover, recent changes to the refrigerator section of the Technical Manual eliminate the metering requirements for pre-screening refrigerators and under some circumstances provide for adjustments to be made to manufactures' reported usage data that should improve the calculated estimates of energy usage without conducting the study. In addition, other impact

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evaluation activities related to NYSRERDA's MPPs and other EEPs multifamily programs will assess the entire range of program-funded measures, including refrigerator replacements. These activities will help improve and refine our saving estimates and cost-effectiveness calculations in the absence of a metering study. Given the existence of these other activities and the limited utility of conducting the metering study as described above, we do not believe EEPs funds should be expended on the study at this time. Therefore, we grant NYSERDA's request to be relieved of the requirement to conduct the M&V study of replacement refrigerators.

#### SEQRA FINDINGS

Pursuant to our responsibilities under the State Environmental Quality Review Act (SEQRA), in conjunction with this Order we find that the modifications made here are within the overall action previously examined by us in Case 07-M-0548 and will not result in any different environmental impact than that previously examined. In addition, the SEQRA findings of the June 23, 2008 Order in Case 07-M-0548 are incorporated herein by reference and we certify that: (1) the requirements of SEQRA, as implemented by 6 NYCRR part 617, have been met; and (2) consistent with social, economic, and other essential considerations from among the reasonable alternatives available, the action being undertaken is one that avoids or minimizes adverse environmental impacts to the maximum extent practicable.

#### CONCLUSION

The Commission relieves NYSERDA of the requirement to conduct and submit the M&V study of refrigerator replacements for the MPPs as explained above.

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The Commission orders:

1. The New York State Energy Research and Development Authority is no longer required to conduct and submit a measurement and verification study of the refrigerator replacement portion of its Multifamily Performance and Low-Income Multifamily Performance Programs.
2. These proceedings are continued.

By the Commission

JACLYN A. BRILLING  
Secretary