

COMMERCIAL NEW CONSTRUCTION EUI PERFORMANCE METHOD

1. SUMMARY

The PSE CNC EUI Performance Method is a new approach for claiming savings that uses an EUI as a baseline and one year of metered data to determine savings. This approach is designed to realize the following benefits:

- More equitable for all participants to have the same baseline for a specific building type
- Time and money saved for the customer not having to create a baseline energy model only for utility incentives
- Grants based on actual performance incentivizes good building operation
- Increased participation due to lesser barrier to participate
- No size requirements opens the program to smaller buildings

2. INCENTIVE STRUCTURE

A. OVERVIEW

Base Savings: The base savings assumes the building will save 5% of the established baseline usage. The grant amount associated with 5% savings will be paid at \$0.45/kWh and \$8/therm once construction is complete. This base savings will be subtracted from the total performance period savings to ensure savings are not double counted.

Performance Savings: The minimum required savings beyond the baseline EUI is 10% of the total building usage. The incentive level will remain constant at \$0.45/kWh and \$8/therm. Grant values associated with 50% savings will be written on the grant agreement, however, **the grant amount will be adjusted to actual performance and will most likely decrease.** If the total building savings is over 10% but one fuel type has a negative savings, the grant amount associated with the negative savings will be subtracted from the total grant amount. The building's metered consumption will be weather normalized by PSE using standard engineering practices. This consumption does not take renewables or onsite generation into account. Energy efficiency grants can only fund efficiency measures, not renewable energy, so the actual building consumption will be used in the calculations.

Net Zero Ready Bonus: If the savings is greater than 50% compared to the EUI baseline then the incentive rate will increase to \$0.70/kWh and \$10/therm.

PSE no longer offers direct customer incentives for commercial domestic water heating boilers, domestic tank and tankless water heaters, and most commercial HVAC equipment. We continue to advocate for the installation of high efficiency gas and electric equipment, but have moved our efforts to education and market transformation within the supply chain. Savings from this equipment will be included in the initial savings analysis to show that the project meets program savings requirements (at least 10% savings). PSE will make adjustments to the performance savings so the grant reflects only eligible savings measures.

B. BASELINES

The baseline EUIs will be equal to the new construction targets set by the Department of Commerce for HB1257. The Department of Commerce first determined targets for existing buildings depending on building type. They decided that new construction targets should be 85% of the existing building targets to appropriately represent the energy code. The baselines are in kBtu/sq-ft. Data from the 2020 CBSA was used to convert the baseline into kWh/sq-ft and therm/sq-ft. If heating and DHW energy source data were available they were used to determine the electric-gas split. The baseline EUIs are listed in the table in Attachment A. If a site includes a parking garage, the garage square footage should be excluded from the gross square footage for the EUI calculation. The garage yearly lighting usage will be subtracted from the performance period usage to account for the square footage adjustment.

C. ELIGIBILITY

Any PSE electric or gas commercial customer with a building type included in the baseline EUI list is eligible for this program. To be consistent with the Whole Building Analysis program, customers who are in design or construction are eligible to apply for this program.

3. PROCESS

- Required Customer Submissions Pre-Construction
 - Custom Grants Application
 - Building Use Type and Gross Square Footage (excluding parking garage sq-ft)
 - If mixed use, provide square footage for each building use type
 - Narrative of Proposed Energy Efficiency Measures and Related Building Plans
 - Estimated EUI if Available
- Required Customer Submissions for Payment
 - Base Savings:
 - Invoice showing total cost to confirm grant amount does not exceed project cost
 - Verification items listed in the Grant Agreement to ensure proposed efficiency measures were installed (i.e. spec sheets, photos, trend data, start-up reports)
 - Confirmation of final building type and final gross square footage (building plans encouraged)
 - Payee W9
 - Performance Savings:
 - Date of Certificate of Occupancy
 - Confirmation from customer that the building was at least 75% occupied during the performance period
 - Start date of performance period (within 12 months of date of Certificate of Occupancy)
 - Any irregularities that need to be accounted for (equipment failures, tenant changes, parking garage lighting, etc.)

ATTACHMENT A: HB1257 NEW CONSTRUCTION BASELINE EUIS

Category	Building type	EUI (kBtu/sf)
Assembly	Entertainment/Culture	57
Assembly	Other Public Assembly	47
Assembly	Recreation	62
Assembly	Religious Worship	33
Assembly	Social/Meeting	43
College	College/University	87
Education (K-12)	Elementary/Middle School	42
Education (K-12)	High School	41
Education (K-12)	Other Classroom Education	42
Education (K-12)	Preschool/Daycare	50
Grocery	Wholesale Club	58
Grocery	Grocery/Food Market	162
Hospital	Hospital/Inpatient Care	167
Institution	Fire/Police Station	55
Institution	Courthouse	86
Institution	Transportation Station	47
Institution	Library	48
Institution	Other Public Order and Safety	56
Institution	Post Office/Postal Center	43
Lodging	Dorm/Fraternity/Sorority	75
Lodging	Hotel	58
Lodging	Motel or Inn	63
Lodging	Nursing Home/Assisted Living	66
Lodging	Prison	86
Lodging	Other Lodging	60
Office	Admin/Professional Office	54
Office	Bank/Other Financial	59
Office	Government Office	56
Office	Veterinary	77
Office	Other Office	56
Other	Laboratory	201
Other Health	Clinic/Other Outpatient Health	77
Other Health	Medical Office (Diagnostic)	51
Other Health	Medical Office (Nondiagnostic)	77
Restaurant/Bar	Convenience w/Gas Station	207

Category	Building type	EUI (kBtu/sf)
Restaurant/Bar	Fast Food	363
Restaurant/Bar	Restaurant/Cafeteria/Bar	307
Retail	Enclosed Mall	49
Retail	Other Retail	47
Retail	Other Service	56
Retail	Repair Shop	31
Retail	Retail Store	58
Retail	Strip Shopping Mall	47
Retail	Vehicle Dealership/Showroom	50
Retail	Vehicle Service/Repair Shop	51
Retail	Technology/Science Service	56
Retail	Vehicle Storage/Maintenance	35
Warehouse	Distribution/Shipping Center	31
Warehouse	Nonrefrigerated Warehouse	31
Warehouse	Refrigerated Warehouse	103