

Definition of “Normal Maintenance” for Determining EUI Baseline Efficiency

Issue

The existing conservation statute requires that eligible infrastructure projects must be more energy efficient than would otherwise be implemented in the course of “normal maintenance activity,” in order to achieve conservation credit. “Normal maintenance activity” is not clearly defined by the statute.

Importance

The lack of clear definition of “normal maintenance” has been raised by stakeholders as an important barrier to implementation of EUI efficiency projects. The baseline for any project depends on interpreting what would have happened in the absence of the project, which can be unclear in cases where the “normal maintenance” clause applies. The savings a project can achieve, and therefore the value of the project, can be heavily dependent on an unknown variable. Uncertainty can prevent the consideration of such projects and impede implementation of EUI efficiency.

Possible Solutions

1 – All projects can request review by the Department of Commerce prior to implementation. If a reasonable assumption is made about baseline conditions under “normal maintenance activity” and documentation is provided to justify the assumption, DER can pre-approve a project and the CIP credit it achieves before deciding whether to implement. This lowers, but does not remove, the barrier. Stakeholders may not wish to exert effort to develop assumptions and justifications for a project that may be declined.

2 – Some TRM measures define a protocol for determining a baseline by delineating “normal maintenance activity” in terms of specific actions. These may not always clear up the issue completely, but provide a framework for making reasonable assumptions about project eligibility. For example, the Generation Heat Rate Improvement measure states:

Routine maintenance is defined as any action intended to preserve performance or the lifetime of existing generation equipment - either recommended by the original equipment manufacturer or planned by the plant operator.

3 - A more detailed protocol for establishing “normal maintenance activity” in terms of a set number of past examples of the activity (for example, choosing a particular transformer from a set of standards) or a set period of time that qualifies as establishing normal behavior (for example annual filter changes over the last 5 years). This approach would require making generalizations, but would standardize the protocol and reduce uncertainty.

Feedback Wanted

Stakeholders with ideas to solve this issue or preferences among the proposed solutions are encouraged to contact the project team. Any stakeholders that have experience with the New Source Review process under the Clean Air Act (which also has a “normal maintenance” clause) are especially welcomed to share their thoughts on the issue.