

Custom Project Options

Historically, a small minority of BPA's customers has pursued a non-standard approach to custom projects that reduced proposal and reporting requirements but required the customer to assume the burden of technical support and ensuring cost effectiveness. The Post-2011 process codified this second option for approaching custom projects as "Option Two" custom projects. Option Two custom projects allow utilities to manage their custom projects internally with no proposals required, but it requires utilities to assume the risk of cost-effectiveness and the possibility that BPA may not provide reimbursement if requirements are not met. These projects also do not receive project-specific technical assistance from BPA.

Responsibilities

Customers who select Option Two are responsible for the following activities:

1. Approving and managing custom projects.
2. Providing project technical service except in cases of manual clarification, M&V consultation, or through third party implementation partners.
3. Ensuring cost effective savings based upon a Total Resource Cost test.
4. Submitting custom project savings reports in bulk through the auto upload sheet provided upon the selection of Option Two.
5. Maintaining the documentation required by the Implementation Manual.

Reimbursement

As with standard custom projects, reimbursement levels for Option Two custom projects will be based on three criteria:

1. Measure Life,
2. Retrofit or New Construction, and
3. Sector.

For both Option One and Option Two custom projects, reimbursement is limited to 70 percent of the incremental installed project cost—or the reimbursement rate per kWh, whichever is less.

Switching between options

Historically, those customers who have pursued non-standard custom projects have not returned to the standard custom project format. By making most aspects equal, BPA has tried to minimize the reasons a utility would want to switch between options. Since both options are focused on how a utility reports custom projects, BPA wants to minimize customers switching between options to create simplicity in reporting and administration and avoid potential oversights.

If circumstances change and Option 2 becomes burdensome for a utility, BPA has included an option to request a switch, through the COTR Request and Acknowledgement Procedure.

