GLOSSARY OF TERMS

January 2017

ENERGY EFFICIENCY GLOSSARY

Advanced Meter

Any new or appropriately retrofitted meter that functions as part of an advanced metering system and that has the features specified in PUCT Substantive Rule §25.130.

Affiliate

(A) A person who directly or indirectly owns or holds at least 5.0% of the voting securities of an energy efficiency Service Provider;

(B) A person in a chain of successive ownership of at least 5.0% of the voting securities of an energy efficiency Service Provider;

(C) A corporation that has at least 5.0% of its voting securities owned or controlled, directly or indirectly, by an energy efficiency Service Provider;

(D) A corporation that has at least 5.0% of its voting securities owned or controlled, directly or indirectly, by:

(i) A person who directly or indirectly owns or controls at least 5.0% of the voting securities of an energy efficiency Service Provider; or

(ii) A person in a chain of successive ownership of at least 5.0% of the voting securities of an energy efficiency Service Provider; or

(E) A person who is an officer or director of an energy efficiency Service Provider or of a corporation in a chain of successive ownership of at least 5.0% of the voting securities of an energy efficiency Service Provider;

(F) A person who actually exercises substantial influence or control over the policies and actions of an energy efficiency Service Provider;

(G) A person over which the energy efficiency Service Provider exercises the control described in paragraph (F);

(H) A person who exercises common control over an energy efficiency Service Provider, where “exercising common control over an energy efficiency Service Provider” means having the power, either directly or indirectly, to direct or cause the direction of the management or policies of an energy efficiency Service Provider, without regard to whether that power is established through ownership or voting of securities or any other direct or indirect means; or

(I) A person who, together with one or more persons with whom the person is related by ownership, marriage or blood relationship, or by action in concert, actually exercises

substantial influence over the policies and actions of an energy efficiency Service Provider even though neither person may qualify as an affiliate individually.

Baseline

A relevant condition that would have existed in the absence of the Energy Efficiency Project being implemented, including energy consumption that would have occurred. Baselines are used to calculate program-related efficiency savings. Baselines can be defined as either project-specific baselines or performance standard baselines (e.g. building codes).

Baseline Demand Usage

The amount of Demand in a one-hour period that is used as the Baseline for comparison to Demand Usage to calculate Demand Savings for a Load Management program. Baseline Demand Usage shall be calculated by averaging the Oncor meter data from the start-time of a Curtailment using the same time period(s) during the five previous weekdays, excluding Called Curtailment Days and federal holidays.

Budget Reservation

The incentive amount requested by a Service Provider and approved by Oncor as the maximum incentive amount for a Project.

Capacity Factor

The ratio of the annual Energy Savings goal, in kilowatt hours (kWh), to the Peak Demand goal for the year, measured in kilowatts (kW), multiplied by the number of hours in the year; or the ratio of the actual annual Energy Savings, in kWh, to the actual Peak Demand Reduction for the year, measured in kW, multiplied by the number of hours in the year.

Commercial Customer

A non-Residential Customer taking service at a metered point of delivery at a distribution voltage under an electric utility's tariff during the prior Program Year or a nonprofit customer or government entity, including an educational institution. Each metered point of delivery shall be considered a separate customer.

Competitive Energy Efficiency Services

Energy Efficiency services that are defined as competitive under PUCT Substantive Rule §25.341 (relating to Definitions).

http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.341/25.341.pdf

Conditioned Space

Cooled space, heated space, or indirectly conditioned space, as described below:

Cooled Space - Enclosed space within a building that is cooled by a cooling system whose sensible capacity exceeds 5 Btu/(h-ft^2) or is capable of maintaining a space dry-bulb temperature of 90^{o}F or less at design cooling conditions.

Heated Space - Enclosed space within a building that is heated by a heating system whose output capacity exceeds 10 Btu/(h-ft^2) or is capable of maintaining a space dry-bulb temperature of 50^{o}F or more at design heating conditions.

Indirectly Conditioned Space - Enclosed space within a building that is not heated or cooled space, whose area-weighted heat transfer coefficient to heated or cooled space exceeds that to the outdoors or to unconditioned space, or through which air from heated or cooled space is transferred at a rate exceeding three air changes per hour (see heated space and cooled space).

Contract Documents

The following, together with any and all exhibits, addenda, amendments, supplements or attachments to the following: 1) Service Provider's approved application (the "Application") found in EEPM, 2) the Program Manual, 3) an Amended and Restated Texas Energy Efficiency Market Agreement entered into between a Service Provider and Oncor, 4) any Program Addendums to the Amended and Restated Texas Energy Efficiency Market Agreement entered into by Service Provider and Oncor, and 5) any additional addendums or supplements entered into by Service Provider and Oncor.

Customer

An end user that receives electric delivery service from Oncor and that owns or leases facilities at a Project Site.

Customer Certificate

A document executed by the Host Customer after installation of all Measures at a Project Site verifying the Measures that were actually installed at the Project Site. The Customer Certificate must include the terms of, and be in the same form as, the Customer Certificate included in the EEPM System.

Deemed Savings Calculation

An industry-wide engineering algorithm used to calculate Energy and/or Demand Savings of the installed Energy Efficiency Measure that has been developed from common practice that is widely considered acceptable for the measure and purpose, and is applicable to the situation being evaluated. May include stipulated assumptions for one or more parameters in the algorithm, but typically requires some data associated with actual installed measure. An electric utility may use the calculation with documented measure-specific assumptions, instead

of Energy and Peak Demand Savings determined through Measurement and Verification activities or the use of Deemed Savings.

Deemed Savings Value (Deemed Savings)

An estimate of Energy or Demand Savings for a single unit of an installed Energy Efficiency Measure that has been developed from data sources and analytical methods that are widely considered acceptable for the measure and purpose, and is applicable to the situation being evaluated. An electric utility may used Deemed Savings values instead of Energy and Peak Demand Savings determined through Measurement and Verification activities.

Demand

The rate at which electric energy is used at a given instant, or averaged over a designated period, usually expressed in kilowatts (kW) or megawatts (MW).

Demand Savings

A quantifiable reduction in Demand.

Demand Side Management (DSM)

The modification of consumer demand for energy through various methods such as financial incentives and education. Usually, the goal of Demand Side Management is to encourage the consumer to use less energy during peak hours, or to move the time of energy use to off-peak times such as nighttime and weekends. Peak Demand management does not necessarily decrease total energy consumption, but could be expected to reduce the need for investments in networks and/or power plants.

Demand Usage

The highest amount of Demand that occurs during any one-hour period (four 15-minute intervals) of a Scheduled Curtailment Day or Called Curtailment Day for a Load Management program. The Demand Usage will be subtracted from the Baseline Demand Usage to determine the Curtailment amount.

Eligible Customers

Residential and Commercial Customers in Oncor's service territory and contributors to the Energy Efficiency Cost Recovery Fund. In addition, to the extent that they meet the criteria for participation in Load Management Standard Offer Programs developed for industrial customers and implemented prior to May 1, 2007, industrial customers are eligible customers solely for the purpose of participating in such programs.

Energy Efficiency

Improvements in the use of electricity that are achieved through customer facility or customer equipment improvements, devices, processes, or behavioral or operational changes that produce reductions in demand or energy consumption with the same or higher level of end-use service and that do not materially degrade existing levels of comfort, convenience, and productivity.

Energy Efficiency Conservation Measure (EECM)

See definition of Energy Efficiency Measure.

Energy Efficiency Measure (Measure)

Equipment, materials, and practices at a customer's site that result in a reduction in electric energy consumption at the customer level and/or system wide, measured in kilowatt hours (kWh), or Peak Demand, measured in kilowatts (kW), or both. These Measures may include thermal energy storage and removal of an inefficient appliance so long as the customer need satisfied by the appliance is still met.

Energy Efficiency Program (Program)

The aggregate of the Energy Efficiency activities carried out by an electric utility under PUCT Substantive Rule §25.181 or a set of Energy Efficiency Projects carried out by an electric utility under the same name and operating rules.

Energy Efficiency Program Management (EEPM)

Oncor's web-based program for managing Energy Efficiency Projects, located at www.oncoreepm.com.

Energy Efficiency Project (Project)

An Energy Efficiency Measure or combination of measures undertaken in accordance with a standard offer, market transformation program, or self-delivered program.

All Energy Efficiency Measures to be installed by the Service Provider must be proposed in the Service Provider's Oncor-approved Project Application.

Energy Efficiency Service Provider (Service Provider)

A person or other entity that installs Energy Efficiency Measures or performs other Energy Efficiency services under PUCT Substantive Rule §25.181. An Energy Efficiency Service Provider may be a retail electric provider or commercial Customer, provided that the commercial customer has a peak load equal to or greater than 50 kW. An Energy Efficiency Service Provider may also be a governmental entity or a non-profit organization, but may not be an electric utility.

Oncor Service Providers shall maintain an approved Umbrella Agreement and Program Addendum to provide Energy Savings in the Programs

Energy Savings

A quantifiable reduction in a customer's consumption of energy that is attributable to Energy Efficiency Measures, usually expressed in kWh or MWh.

Estimated Useful Life (EUL)

The number of years until 50% of installed measures are still operable and providing savings, and is used interchangeably with the term "measure life". The EUL determines the period of time over which the benefits of the energy efficiency measure are expected to accrue.

Existing Equipment

The equipment that is installed at the customer's site prior to the customer's participation in an Energy Efficiency Program.

Host Customer Agreement

The agreement between a Host Customer and Service Provider that specifies the rights and obligations of each such party with respect to the installation of the Measures and that includes the terms of, and is in the same form as, the Host Customer Agreement included in the TRM.

Host Customer

The person who contracts with the Service Provider for the installation of Energy Efficiency Measures pursuant to a Project.

Incentive Budget

The amount of money budgeted by Oncor for an Energy Efficiency Program.

Incentive Payment

Payments made by a utility to an Energy Efficiency Service Provider under an Energy Efficiency program.

Inspection

Examination of a Project to verify that an Energy Efficiency Measure has been installed, is capable of performing its intended function, and is producing an Energy Savings or Demand reduction approximately equivalent to the Energy Savings or Demand reduction reported towards meeting the Energy Efficiency goals of PUCT Substantive Rule §25.181.

International Performance Measurement and Verification Protocol (IPMVP)

A guidance document issued by the Efficiency Valuation Organization with a framework and definitions describing the M&V approaches.

www.evo-world.org

Load Control

Activities that place the operation of electricity-consuming equipment under the control or dispatch of an Energy Efficiency Service Provider, an independent system operator, or other transmission organization or that are controlled by the customer, with the objective of producing Energy or Demand Savings.

Load Management

Load control activities that result in a reduction in Peak Demand, or a shifting of energy usage from a peak to an off-peak period or from high-price periods to lower price periods.

Market Transformation Program (MTP)

Strategic programs intended to induce lasting structural or behavioral changes in the market that result in increased adoption of energy-efficient technologies, services, and practices, as described in PUCT Substantive Rule §25.181.

Measure

See the definitions for Energy Efficiency Measure.

Measurement and Verification (M&V)

A subset of program impact evaluation that is associated with the documentation of Energy or Demand Savings at individual sites or projects using one or more methods that can involve measurements, engineering calculations, statistical analyses, and/or computer simulation modeling. M&V approaches are defined in the IPMVP.

Multifamily Dwellings

Building with four or more attached Dwelling Units. Duplex and triplex units can be considered multifamily if they are located on the same or adjacent properties and under management by a single party.

Off-Peak Period

Period during which the Demand on an electric utility system is not at or near its maximum. For the purposes of PUCT Substantive Rule §25.181, the Off-Peak Period includes all hours that are not in the Peak Period.

Peak Demand

Electrical Demand at the times of highest annual Demand on the utility's system. Peak Demand refers to Texas retail Peak Demand and, therefore, does not include Demand of retail customers in other states or wholesale customers.

Peak Demand Reduction

Consistent with the EE Rule, this is defined as the reduction in demand during the times of the utility's summer peak period or winter peak period. Peak demand savings will be calculated based on measure-specific hourly loads during those top hours identified in defining the peak period.

Peak Demand Savings

A quantifiable reduction in Demand during the Peak Period.

Peak Demand Period

The EE Rule defines the full peak period as the hours from 1 p.m. to 7 p.m. during the months of June, July, August and September, and the hours from 6 a.m. to 10 a.m. and 6 p.m. to 10 p.m. during the months of December, January and February (excluding weekends and Federal holidays). These are also referred to as the "summer peak period' and the "winter peak period".

Performance Period Payment

The payment made by Oncor to a Service Provider for Demand Savings achieved during the Performance Period for a Load Management program.

Production Period

The Production Period is defined in the Program Addendum and is the time period during which Energy Efficiency Measures may be installed.

Production Report

The Production Report, comprising a set of forms and attachments, is submitted by the Service Provider following the installation of energy-efficient equipment. The report contains a detailed description of the energy-efficient equipment and operating conditions at the customer's site as they exist immediately following Measure installation.

Program

See the definition for Energy Efficiency Program.

Program Addendum

An Agreement entered into by the Service Provider and Oncor following the approval of the Service Provider's Project Application.

Program Manager

The Oncor representative assigned as the manager and point of contact for a Program.

Program Manual (Manual)

The primary set of guidelines and instructions for participation in and implementation of a specific Energy Efficiency Program offered by Oncor.

Program Year

A year in which an Energy Efficiency incentive program is implemented, beginning January 1 and ending December 31.

Project

See the definition for Energy Efficiency Project.

Project Application

The Project Application, comprising a set of standard forms, is submitted by an entity wanting to participate in the Programs as a Service Provider.

Project Site

The location of a Host Customer's facilities where approved Measures will be installed and from which Peak Demand and Energy Savings will be obtained. A single Project may include Measures or equipment installed at multiple Project Sites.

Proposed Energy Savings

The amount of Energy Savings proposed to be achieved in Service Provider's Oncor-approved Project Application.

Proposed Peak Demand Savings

The amount of Peak Demand Savings proposed to be achieved in Service Provider's Oncor-approved Project Application.

Prudent Electrical Practices

Those practices, methods, standards, and equipment commonly used in prudent electrical engineering and operations to operate electrical equipment lawfully and with safety, dependability, and efficiency and in accordance with the National Electrical Safety Code, the National Electrical Code, and any other applicable federal, state, and local codes. In the event of a conflict, the applicable federal, state, or local code shall govern.

Public Utility Commission of Texas (PUCT)

The state agency that regulates Texas' electric and telecommunication utilities, implements respective legislation and offers customer assistance in resolving consumer complaints.

Renewable Demand Side Management (DSM) Technologies

Equipment that uses a renewable energy resource (renewable resource), as defined in PUCT Substantive Rule §25.173(c) (relating to Goal for Renewable Energy) a geothermal heat pump, a solar water heater, or another natural mechanism of the environment, that when installed at a customer site reduces the customer's net purchases of energy, demand, or both.

Self-Delivered Program

A program developed by a utility in an area in which customer choice is not offered that provides incentives directly to customers. The utility may use internal or external resources to design and administer the program.

Self-Sponsor

A commercial customer with a peak demand equal to or greater than 50kW to be an energy efficiency service provider ("self-provider" or "self-sponsor"). A self-provider assumes the dual role of the service provider and contractor in an energy efficiency retrofit or new construction project.

Service Provider

See the definition for Energy Efficiency Service Provider.

Service Provider Contacts

Shall include contact names, mailing addresses, email addresses, telephone numbers, and fax numbers that will be used by Oncor to communicate with authorized Service Provider representatives.

Service Provider Profile

Information about a Service Provider in EEPM that includes, but is not limited to their: 1) Company Profile (legal name, contact information, MWBE status), 2) Personal Profile (user ID, password), 3) Vendor Information (Oncor-assigned vendor number), 4) Blanket Purchase Order (for Implementers, not Service Providers), 5) Qualifications (company description, experience, references, financial capability), 6) Affiliates, 7) Subcontractors, 8) Employees (names and photographs for residential programs, certifications, licenses), and 9) Expiry Documents (insurance certificates).

Standard Offer Contract (Host Customer Agreement)

A contract between a Residential Customer and an Energy Efficiency Service Provider or a participating utility specifying standard payments based upon the amount of Energy and Peak Demand Savings achieved through Energy Efficiency Measures, the Measurement and Verification protocols, and other terms and conditions, consistent with PUCT Substantive Rule §25.181.

A contract between a Commercial Customer and an Energy Efficiency Service Provider or a participating utility specifying standard payments based upon the amount of Energy and Peak Demand Savings achieved through Energy Efficiency Measures, the Measurement and Verification protocols, and other terms and conditions, consistent with PUCT Substantive Rule §25.181.

Standard Offer Program (SOP)

A Program under which a utility administers Standard Offer Contracts between the utility and Energy Efficiency Service Providers.

Subcontractor

Any person, firm, partnership, association, joint venture, company, corporation, or other entity, regardless of tier, engaged by Service Provider to provide part of the Work under an Energy Efficiency Program.

UL Listed

Underwriters Laboratories Inc. (UL) is an independent product safety certification organization. Established in 1894, the company has its headquarters in Northbrook, Illinois. UL develops standards and test procedures for products, materials, components, assemblies, tools and equipment, chiefly dealing with product safety. UL also evaluates and certifies the efficiency of a company's business processes through its management system registration programs. Additionally, UL analyzes drinking and other clean water samples through its drinking water laboratory in South Bend, Indiana, and evaluates products for environmental sustainability through its subsidiary, UL Environment.

Umbrella Contract

The Amended and Restated Texas Energy Efficiency Market Agreement, together with all amendments, addendums, supplements and modifications thereto.

Verification Process

The process described in a Load Management program wherein Oncor calculates and verifies Baseline Demand Usage, Demand Usage, and Demand Savings.

Work

Any and all labor, evaluations, reports, and services, including all equipment, material, duties, and obligations that are the responsibility of a Service Provider under an Energy Efficiency Program.