

## **ATTACHMENT 5**

### **FUEL SWITCHING SUBMITTAL REQUIREMENTS**

**Administration:** In order to assume the responsibility for administering the fuel switching policy, the Grantee must submit the following information to its Project Officer (PO). This information will ensure that all Program rules and guidance documents are being met by the Grantee in their decision-making:

- A statement in the Energy Audit Procedures section of the Grantee's Annual Plan that fuel switching is allowable when the site-specific energy audit demonstrates the cost effectiveness of the fuel switch over the life of the measure as indicated by the Savings to Investment Ratio (SIR).
  - The audit libraries must contain all utility cost information to provide accurate data for the fuel switch decision.
  - All other related charges associated with fuel-switching must be provided in the submittal for approval of the Grantee's energy audit procedures.
- If the Grantee opts to implement an internal fuel switching policy prior to the next audit procedures reapproval cycle, costs associated with the Grantee fuel switch procedure must be submitted as supplemental information to the Grantee's Annual Plan.

**Capability:** In addition to accepting the administrative burden associated with making decisions about fuel switching internally, the Grantee must also demonstrate ability to analyze the information provided by the subgrantee when a request for fuel switching is submitted. To demonstrate this internal capability to DOE, the Grantee must submit the following documents as part of their Plan:

- One complete sample audit for each type of fuel-switching scenario anticipated (e.g., one sample audit for switching from an oil boiler to a gas boiler, one sample audit for switching from a gas furnace and central A/C combination to an electric heat pump) with all supporting documentation that demonstrates fuel switching is cost-effective when interacted with all other appropriate energy conservation measures for the building.
  - Supporting documentation must include a copy of the client utility bill(s) which list all charges for the present energy source(s) and cost information including but not limited to the costs charged for the current energy commodity, base and service charges, taxes, supply and transmission charges and renewable energy or energy conservation adjustments.
- The escalation rate used in the energy audit of those energy prices over the life of the new measure.
- A statement that if a heat pump or other combined heating-and-cooling system is to replace a heating-only (or cooling-only) system, no savings will be attributed to the cooling (or heating) system that was previously not being used in the home, but all the costs of running the system throughout the year will be included in the audit.

**Important:** No fuel switching measures will be allowed through the use of a DOE approved priority list. The use of a priority list does not meet the DOE standard for case-by-case analysis because changes in cost cannot be captured and updated as is the case with an energy audit. A site-specific computerized energy audit must be used to demonstrate the cost effectiveness of fuel switching and ensure that the program requirement to provide greater energy efficiency and reduction of energy costs for low-income clients is met.