I. Principles and approach to developing a Business Case for water and energy efficiency projects

A. Energy and water efficiency projects should demonstrate substantial benefits/savings compared to the existing equipment.

B. Water and energy efficiency benefits/savings must be a substantial part of the rationale or justification for the project, and cannot simply be incidental water and/or energy efficiency benefits.

C. Technical component of a business case: Using information from maintenance or operations records, engineering studies, project plans, etc.
   1. that identify problems (including any data on water and/or energy inefficiencies) in the existing facility
   2. that clarify the technical benefits from the project in water and/or energy efficiency terms.

D. Financial component of a business case:
   1. Estimate cost and water savings from the project based on the technical analysis of benefits.
   2. Determine, within total project costs, that savings associated with energy and water efficiency improvements comprise a substantial part of financial justification for project.