# Proposal for EM&V Contractor RFP 24-09

## Louisiana Public Service Commission

November 20, 2024

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Kimberly N. O'Brian & Kathryn H. Bowman
Louisiana Public Service Commission
602 North Fifth Street (Galvez Building) (70802)
P.O. Box 91154
Baton Rouge, Louisiana, 70821-9154

**RE: Louisiana Public Service Commission – RFP 24-09 EM&V Contractor**

Dear Ms. O'Brian and Ms. Bowman:

DNV Energy Insights USA Inc. (DNV) is pleased to provide this proposal in response to Louisiana Public Service Commission's (LPSC's) RFP for EM&V services. With our technical depth and strong command of LPSC's needs, we can provide integrated services and ensure timely, accurate, and cost-effective results. We have assembled a strong, trusted team, including subcontractors—Applied Energy Group (AEG) and Encolor—and students from Louisiana State University Industrial Training & Assessment Center (LSU ITAC). Together, we are uniquely positioned to produce this complex array of deliverables.

By engaging DNV and our partners, LPSC will gain four key advantages:

1. **Stability for the first year and beyond.** DNV is a national leader in EM&V and a trusted, respected, and experienced evaluator of statewide programs. LPSC can draw further confidence from our business assurance and audit experience. DNV's ability to conduct both impact and process evaluations is crucial. Our track record of fulfilling all requirements, as evidenced by our work with TVA and other commissions, ensures stability for LPSC.
2. **Clear, non-complex communication you can trust.** DNV's ISO certification ensures that we are well-equipped to handle audits and stay organized. The project audits and management that DNV undergoes as part of our certification testify to the painless and seamless experience LPSC can expect. As a robust team with extensive experience in surveying various customer, designing technical reference manuals (TRMs), and testing cost effectiveness, DNV can support LPSC through program expansions and increased activity levels, ensuring that communication remains clear and non-complex even as demands grow.
3. **Efficient project management.** DNV has robust project management capabilities, which will facilitate efficient and straightforward interaction with LPSC. With a wide range of clients and needs, we are adept at customizing our services. Our subject matter experts (SMEs) provide tailored solutions, ensuring that LPSC will receive the most value for their spend and unbeatable assistance in the process. Our team also includes students from LSU ITAC, a partnership that will allow us to tap local resources and extend project management skills to the next generation of Louisianans.
4. **Cost-effective evaluation.** By leveraging our experience, DNV can use lower-rigor approaches where appropriate, ensuring that we only use high-rigor methods when necessary. This strategic approach to rigor ensures that every dollar spent contributes to excellent oversight on the larger budget.

DNV is committed to delivering value and oversight for LPSC, ensuring ratepayers see the benefits of EM&V without unnecessary complexity or expense. Our strengths align with LPSC's needs, providing you with the stability and confidence required for a successful partnership. We thank you for your consideration of all that we offer.

With kind regards,

**DNV Energy Insights USA Inc.**

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# Table of Contents



**DNV Document No. 00384723**

This proposal in its entirety is valid for 180 days after its submittal date of November 20, 2024, and is being submitted by DNV Energy Insights USA Inc., a North American subsidiary within the DNV family of companies.

**Confidentiality**

This proposal may contain information that is business sensitive to DNV. No part of the proposal or information received during the bid process may be used, duplicated, or disclosed for any other purpose. Any such use of DNV's information is regarded as an infringement of DNV intellectual property rights.

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# A. Overall Approach to the Transition of a New Statewide EE Program

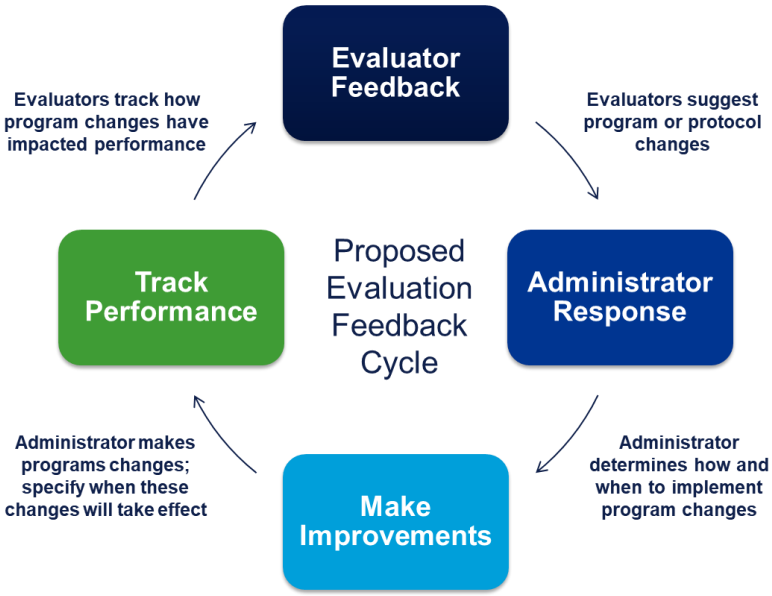
*1. Describe your vision for the program/strategic EM&V plan for the I-year transition period and for the next 4 years of the first budget cycle.*

DNV's vision for the transition period is to:

- Work with LPSC and its staff to understand their program and evaluation priorities.
- Work with the program Administrator to make sure the program implementation plans are clear.
- Ensure LPSC priorities are effectively reflected in program design and the evaluation plan.

DNV's evaluation process is critical to the healthy launch and successful evaluation of programs. We will provide program evaluability assessments and stoplight prioritization based on performance of similar programs in other jurisdictions. We will also help the Administrator develop program theory and logic models that will later support savings claims. These activities will streamline the program delivery and evaluation process to ensure cost-effective use of ratepayer funds. A brief overview of our annual feedback process is illustrated in Figure 1.

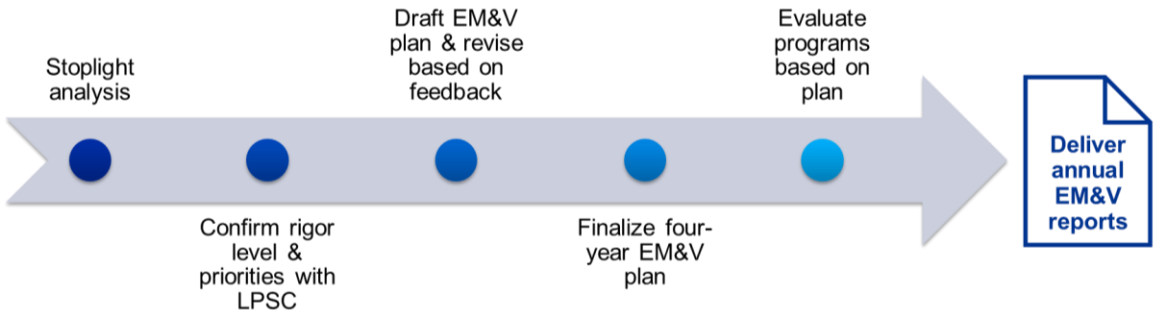
**Figure 1. DNV's Evaluation Feedback Cycle**




In the transition year, we will focus on ensuring that the Administrator's cost-effectiveness calculations are performed correctly. From our involvement with the California Public Utilities Commission (CPUC), we know that implementation of the Standard Practice Manual cost-effectiveness tests, especially the Total Resource Cost (TRC) test, is not straightforward given the narrow definition of transfer payments. We will provide LPSC with an overview of the cost-effectiveness tests and an understanding of special cases where the TRC test produces unintuitive results so the metrics can be aligned with policy going forward. DNV will ensure that the cost-effectiveness metrics are robust, reliable, and aligned with LPSC values and policies.

Concurrently in the transition year, we will draft the four-year EM&V plan in a manner that is consistent with LPSC goals. EM&V always involves balancing level of rigor, scope of programs evaluated, and budget level. For instance, we could evaluate all programs at a basic level of rigor, reviewing the tracking database for errors, analyzing compliance with the TRM, and performing surveys to understand customer satisfaction and verify that energy efficiency measures were installed; we could provide a higher level of rigor on a smaller number of programs or claims prioritized based on overall kWh or therm savings; or we could provide a hybrid approach. We are adept at helping our clients navigate these choices and will provide LPSC the information you need to understand not only the choices to be made, but also their implications. This will involve setting up in-depth interviews with LPSC staff to understand their priorities. Schedule allowing, after those interviews, we will present a webinar for LPSC's staff with a proposed EM&V approach that can be adjusted based on their input. Lastly, we will produce a draft EM&V plan for public comment (if desired) followed by a final version that will reflect all the feedback we receive. In the transition year, we will assess if a Louisiana-specific TRM is warranted (see our response to Question B7).

**Figure 2. Summary of DNV's Transition and Year 1 Plan**




In 2026, we will evaluate Program Year (PY) 2025 programs, focusing on programs that will remain largely the same in PY 2026. The stoplight assessment during the transition phase will inform further evaluation of "yellow" programs, those for which questions remain about the program's value to ratepayers. We will also provide fast feedback by evaluating any pilot programs launched in PY 2026 and by flagging before they get to full scale any programs that have consistently performed sub-optimally in other states. We will begin the market potential study (MPS) (see our response to Question B11 and C5). If the Louisiana-specific TRM is found warranted, we will produce the LA TRM during this year. Our vision for the four years of the first budget cycle is to provide the highest-value annual reports that not only verify program savings and cost effectiveness, but also assess program process and provide actionable recommendations to improve program effectiveness going forward.

***2. Please provide a list of the key performance indicators ("KPIs") that you will use to track to evaluate your performance, your partners' performance, and subcontractors' performance. Please include at least 2 leading KPIs that would track proactive actions that you would take as the EM&V Contractor during the transition and implementation phases.***

Our Evaluation KPIs flow from our values of on-time, on-budget, high-quality deliverables and client satisfaction. We will track and report budget and schedule variance on a quarterly basis throughout the planning year and four-year budget cycle. Budget variance is the actual budget spent minus the budget planned. A positive number can mean either that the project is ahead of schedule or that the project may be going over budget. It is therefore important to consider budget variance in the context of schedule variance, which is the budgeted cost of work performed to date minus the budgeted cost of work scheduled. Scope changes (such as sample size increase or decrease) will be accounted for in the cost of work performed. Our partners and subcontractors work will be assessed using these same metrics. (For information on how DNV manages subcontractor performance, please see our response to Question A7.)

There are two proactive actions DNV will track during the transition phase: 1) the number of programs for which we perform evaluability assessments and 2) the number for which we perform program theory logic models in coordination with the Administrator. In evaluation years 2026-2029, we will proactively track the number of recommendations made during the implementation phase. We will track the actions that were taken by the Administrator or other stakeholders as a result of the recommendations. We will also document reasons for those that were not acted upon.

***3. Based on your understanding of the Phase II Rules, please provide a list of EM&V deliverables (reports, studies, process documentation and manuals) and checkpoints (meetings) expected for the transition year 2025 and during the four-year program budget cycle.***

Although the frequency of checkpoint meetings was not prescribed in the Phase II Rules, DNV's experience has shown that it is beneficial for our project manager to meet on a regular basis with LPSC staff after the initial project kick-off. We suggest weekly meetings during the launch phase, bi-weekly meetings through initial evaluation work planning, and then monthly progress meetings accompanied by monthly progress reports that include KPI reporting on a quarterly basis. Meeting frequency may be increased during busy periods as needed. We will attend the Energy Efficiency Working Group meetings quarterly, meet with the Administrator monthly, and meet with the Auditor as required. For each deliverable, a draft will be

produced one month before the deliverable due date to allow two weeks for staff review and public comment (if desired by LPSC) and two weeks to produce a final report.

As requested, DNV has evaluated the anticipated difficulties with the scope of work. We believe LPSC's proposed timing for the Four-Year EM&V Budget Cycle Plan to be the most significant potential challenge. Our contract start date, which is expected in April 2024, would be very close to the May 1, 2024, due date. Our suggestion is to expediate contracting as much as possible to allow at least two weeks for DNV to draft an initial Four-Year Budget Cycle Plan. Since amendments to the plan are allowed before April 1 of each budget year, we will plan to refine the plan in each subsequent year, adjusting it based on our stoplight analysis and LPSC's priorities.

**Figure 3. EM&V 2025 – 2029 Deliverable Schedule**

| Deliverable | Due Date |
|---|---|
| Four-Year EM&V Budget Cycle Plan[1] | 5/1/2025 |
| LA-Specific TRM Assessment[2] | 11/1/2025 |
| LA-Specific TRM (if beneficial)[3] | 11/1/2026 |
| First Plan Year: EM&V Annual Report PY 2026 | 4/1/2027 |
| Second Plan Year: EM&V Annual Report PY 2027 | 4/1/2028 |
| Market Potential Study[4] | 5/1/2028 |
| Third Plan Year: EM&V Annual Report PY 2028 | 4/1/2029 |
| Fourth Plan Year: EM&V Annual Report PY 2029 | 4/1/2030 |
| Special Studies | As needed |

***4. Based on your understanding of the Phase II Rules, what data, information, and interaction do you envision needing from the utilities and from Commission Staff?***

From the utilities, we will need customer-level energy consumption (billing or AMI) data starting from 1/1/2025 as well as customer contact and service address information. We will need a way to connect Administrator tracking data to utility customer records. Any additional customer information, such as a rate plan that would indicate the existence of on-site solar or an EV, will help in our analysis. We need energy consumption data not just for participating customers, but also for a sufficient number of non-participants, so that we can develop matched non-participant comparison groups where applicable. For the potential study, we will need load and customer forecasts; peak period definition and peak demand projections; distributed generation and electric vehicle forecasts; existing market research on customer equipment, characteristics, and energy consumption; avoided costs and other relevant economic data for cost-effectiveness testing; and historical program costs, savings, and measure installations. Lastly, we will want to obtain five years of utility energy sales and revenue records to assess program savings against targets and budget amounts against the 1.5% spending cap and minimum energy savings targets.

From LPSC, we will need regular check-in meetings with your staff and ad-hoc meetings with you to understand concerns and priorities. As discussed in our answer to Question A1, we may need occasional input on policy questions, such as those related to the implementation of the cost-effectiveness tests.

***5. Based on your understanding of the Phase II Rules, what data, information, and interaction do you envision needing from the Administrator?***

During the transition year we will need program information and implementation budgets to inform our Four-year EM&V Budget Cycle Plan. This will include a list of programs, all program implementation plans, program theory and logic models, program marketing materials, and participant and trade ally agreements. We will also need the data dictionaries from the

[1] The Phase II rules state that the EM&V Contractor plan will be filed with the LPSC by May 1, 2025, prior to the start of each budget cycle. We also understand that the contract is expected to be signed in April 2025. This date is subject to change based on contract sign date and LPSC requirements.
[2] The Phase II Rules state that the TRM assessment be performed early in the first year of the budget cycle. A November 1 deadline is subject to change based on LPSC requirements.
[3] The Phase II Rules state that the TRM must be completed and approved by the LPSC by the end of the first budget cycle. The TRM deliverable date is subject to change based on LPSC requirements.
[4] The Phase II Rules state that the MPS will be used by the LPSC, along with recent IRPs to set the energy savings targets for the following budget cycle. We have set the date one year prior to the four-year budget plan due date for the 2030-2033 budget cycle (May 1, 2029) to allow time for the LPSC to deliberate and allow sufficient notice for the next planning cycle.

Administrator's tracking database, cost-effectiveness calculators, and the supporting methods and assumptions used to calculate cost effectiveness. We will need to engage the program Administrator during the transition year to fully understand the programs they are developing and to provide early feedback.

During the evaluation period (2026-2029), we will need quarterly exports of the tracking data, and we may request supporting information, such as data used for measure savings estimates, invoices, inspection reports, and participant application documents. Program tracking data should include sufficient information to assess program allocations to low-income customers, rental properties, and high-energy burdened households. We will need any updated program implementation plans, program marketing materials, and participant and trade ally agreements. We will interview program managers as a normal part of our process evaluations and may need periodic assistance from the Administrator to understand program materials during the EM&V data collection period.

***6. Include three (3) references for your proposed key personnel and partners. Such partners and references are preferred to have experience with projects that were similar in their nature, size, and scope of work to the work described in this RFP. By listing the references, Firms and their partners grant the State authorization to contact these references to assess the Firms' quality of work performed.***

The DNV Team has selected New Jersey Board of Public Utilities, Tennessee Valley Authority, and the State of Hawaii Public Utility Commission as references. These three portfolios demonstrate the DNV team's experience and success in leading EM&V work for clients that, like LPSC, run region-wide programs that require interaction with utility companies. Both DNV and AEG have broad experience delivering similar EM&V and MPS services to dozens of additional clients across the country. Please see Appendix I for more qualifications.

### New Jersey Board of Public Utilities (NJ BPU) | Portfolio Evaluation, *2021 – Present*

Name: Kevin Monte de Ramos
Title: Bureau Chief – Energy Efficiency and Building Decarbonization
Email: Kevin.MontedeRamos@bpu.nj.gov
Phone: (802) 881-4806

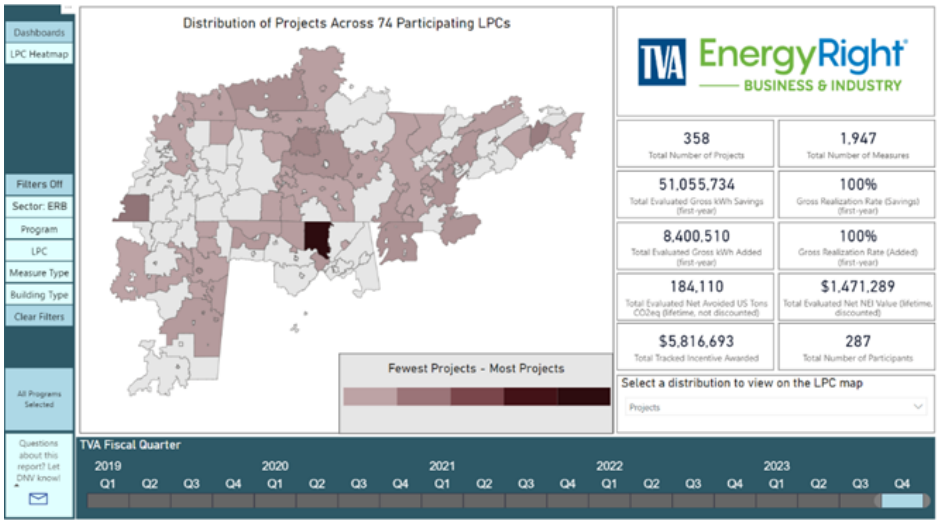
As is required by LPSC, DNV's support of New Jersey's state regulator includes a combination of program evaluation, policy support, TRM maintenance, and strategic planning, all conducted during a transitional period. The State of New Jersey has undergone dramatic changes in the implementation, management, evaluation, and planning of energy efficiency programs in recent years, delegating execution of some programs to utilities, while retaining and expanding other programs and assuming new roles in state-level planning, design, and evaluation. Our team has worked together with leadership at the NJ BPU to navigate the challenges of this dynamic environment. Our evaluators and policy experts have developed, designed, prioritized, and executed evaluations and studies to guide New Jersey though this period of policy and programmatic transition. DNV evaluates all statewide programs administered by the NJ BPU and its Administrator and supports the state's program infrastructure, such as by maintaining the state TRM, conducting statewide building baseline studies, and providing policy support on electrification, demand response, carbon-based goals, and reporting. DNV leads a team composed of three subcontractors.

### Tennessee Valley Authority (TVA) | EM&V Portfolio Services, *2010 – Present*

Name: Kyle Lawson
Title: Sr. Program Manager, CES Analytics
Email: tklawson@tva.gov
Phone: (423) 718-8619

Like the LPSC, TVA runs regionwide programs with an Administrator and engages with Local Power Companies (LPCs) to do so. Since 2010, DNV has provided TVA with a variety of EM&V, analytics, and programmatic research services across dozens of demand-side energy programs. DNV streamlined quarterly program evaluations through an Integrated Program Impacts (IPIs) approach and developed an easy to use, and dynamic interactive dashboard (Figure 4) for TVA Program Staff in lieu of exhaustive hard-copy reports. DNV also created the Customer Analytics workstream to onboard and analyze internal data at the individual LPC level. TVA provides service to 154 LPCs and 57 direct-serve customers across seven states.

**Figure 4. Interactive Dashboard Illustrating TVA EM&V Work**




To date, DNV has completed more than 70 comprehensive EM&V studies and more than 145 ad hoc analyses. Some example evaluation and research projects completed in recent years include:

- **IPIs:** Quantifies EnergyRight® residential, commercial, and industrial programmatic impacts across the Valley, providing quarterly feedback to program operations. Increases effectiveness and impact reporting accuracy for electrification and energy efficiency impacts. IPI evaluation consists of gross, net, and non-energy impacts as well as carbon calculations, all of which are visible through a DNV-developed interactive dashboard.
- **TRMs:** Drives evaluation rigor and program outcomes by establishing measure-level deemed savings and load impact estimation protocols.
- **Self-Audit Evaluation:** Reviews program design and implementation strategy, determines realization rates, explores non-100% in-service rates, assesses customer satisfaction and dwelling characteristics, and updates TRM impacts.
- **Lighting Market Study:** Identifies remaining opportunities for program interventions to transform the C&I lighting market via market actor in-depth interviews.
- **New Homes Baseline Study:** Determines minimum code requirements for key measure-level efficiencies across jurisdictions, characterizes industry standard practice, and provides new home construction baseline recommendations.
- **Weatherization Assistance Program:** Evaluates program energy efficiency impacts through billing analysis, including average percent savings per home. Assesses energy efficiency impacts for the top five LPCs and determines if savings estimates can be calculated for the top high-impact measures. Assesses energy efficiency impacts for the top five LPCs and determines if savings estimates can be calculated for the top high-impact measures.

### State of Hawaii Public Utility Commission | Market Potential Studies & Independent EM&V Contractor, *2013 – Present*

Name: Ashley Norman
Title: Office of Policy & Research, Hawaii Public Utilities Commission
Email: ashley.f.norman@hawaii.gov
Phone: (808) 586-2020

AEG's work with The State of Hawaii Public Utilities Commission (the Commission) features the potential study expertise that LPSC needs and includes evaluation of statewide non-utility programs.

The Commission has retained AEG multiple times since 2013 to conduct both MPS and EM&V services. The Commission originally contracted AEG in 2013 to conduct an independent assessment of energy efficiency potential in the state. More recently, AEG completed an MPS in 2020 that assessed future savings potential across seven Hawaiian Islands. The study developed a thorough and independent assessment of resources available to the state; provided guidance and insight regarding attainment of goals

from energy savings opportunities; and provided estimates of available potential that can be used as a resource and included in integrated grid planning (IGP) filings by the Hawaiian Electric Company utilities. The study also identified hourly impacts from a variety of demand response and grid-service offerings and estimated impacts from innovative rate designs.

The Commission contracted AEG for EM&V services in 2018 to verify the savings and performance of Hawaii Energy's Public Benefits Fee Administrator (PBFA) programs, the State's energy efficiency portfolio standard (EEPS), and related policies and programs. AEG has evaluated performance of the PBFA programs for each program year since 2017.

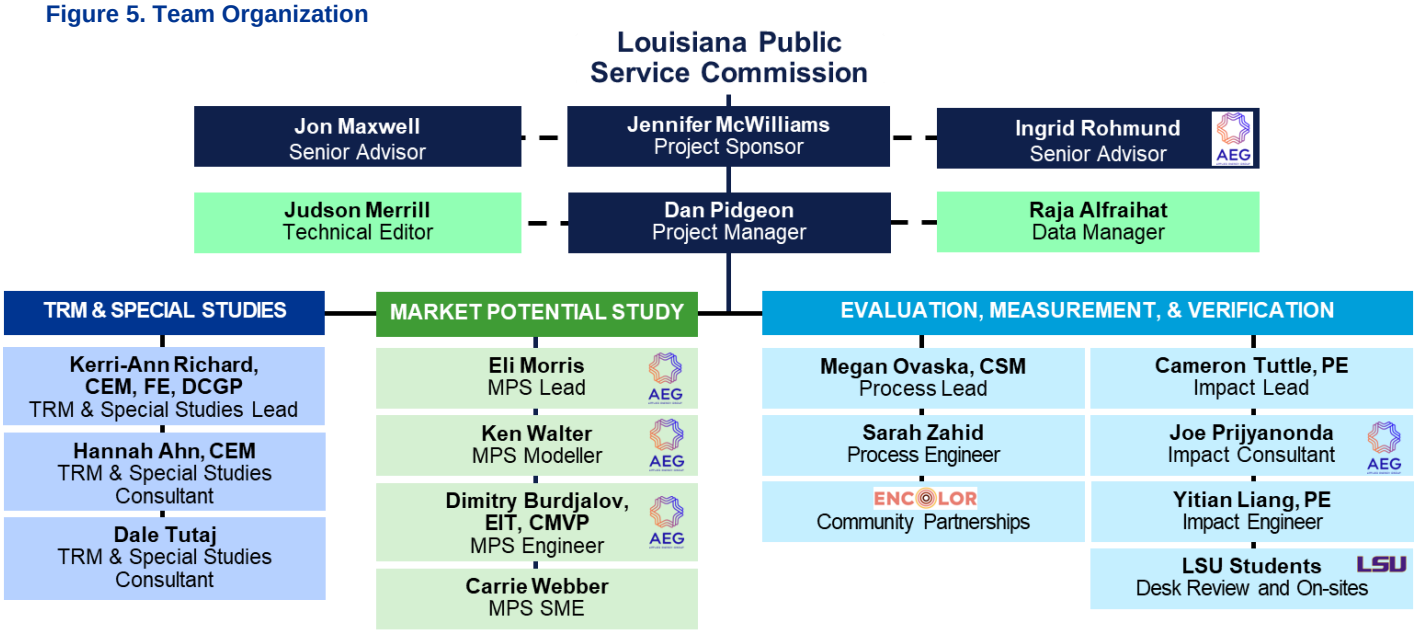
AEG's scope of work for the Commission has included:

- Developing overarching and specific EM&V work plans and providing project management support
- Conducting impact evaluation, including verification of both gross and net savings, of Hawaii Energy's programs
- Performing the review and update of the PBFA TRMs
- Mid-year and annual updates to the TRM to incorporate new or revised measures and content
- Providing EEPS evaluation research and analysis support for the EEPS reporting to the state legislature
- Completing a comprehensive baseline study
- Completing a codes and standards attribution study
- Analyzing Hawaii Energy's Peer Home Energy Report program to assess savings decay rates

***7. Provide a detailed organizational chart which includes roles and responsibilities for personnel, including any partners. How would your organizational structure address accountability and responsibility?***

DNV has structured a strong, trusted team (Figure 5) to achieve efficient workflow and communications with LPSC and ensure clear assignment of accountability for tasks and performance (see Figure 6).

**Figure 5. Team Organization**




This team includes:

- **LSU ITAC students:** To incorporate the local workforce and provide students with a learning experience, DNV will hire LSU students to perform certain elements of the work. We have close relationships with several university ITACs across the US, and we have had strong experience hiring full-time employees from these programs. After receiving in-person training from DNV staff, LSU students will assist with in-person site visits at commercial or industrial facilities to verify that an energy efficiency measure was installed and is functioning properly. They will also install energy measuring

devices at certain sites. In most cases, this will involve installing current transducers on the electric supply wires to the energy efficiency measure and making spot measurements of voltage and power factor. A local electrician will assist whenever electrical work is needed in a live panel.

- **AEG:** Colleagues from AEG (denoted in Figure 5 by the AEG logo) are uniquely positioned and ready to lead the market potential study for LPSC. AEG is a national leader in assessments of long-term market potential and has performed more than 100 such assessments over the past decade, including multiple statewide studies. More information on all individual team members can be found in Appendix J.
- **Encolor:** A small, certified, diverse, women-owned strategic consulting firm with national experience, Encolor provides a range of consulting and advisory services, including program and solution designs, product and service equity analyses, and DEIJ strategic and action planning. They will perform in-depth interviews (IDIs), and, if community partnerships are desired by LPSC, Encolor will take responsibility for delivering that aspect of the work.

**Figure 6. Key Roles and Responsibilities**

| Role | Responsibility |
|---|---|
| Senior Advisor | Provides executive-level support and periodically meets with LPSC. |
| Project Sponsor | Takes primary responsibility for ensuring that the project is meeting customer's objectives, that the quality of deliverables meets customer's expectations, and that the project is properly resourced. |
| Project Manager | Manages our team and all facets of the work. The PM monitors and controls the project, ensuring that staff check in and understand the project status, due dates, responsibilities, and requirements. |
| Subject Matter Experts (SMEs) | Advise on the technical aspects of any project to ensure the project meets the rigor and technical requirements the client needs. DNV has a deep bench of industry-recognized experts who can advise on technical aspects, such as sampling, survey design, engineering review, data analysis, and policy. |
| Task Leads | Lead larger tasks in a similar capacity to the project manager. Task leads oversee the day-to-day management of a given task and report directly to the project manager. |
| Other Project Team Members | Project team members will be assigned tasks based on their experience and capabilities. Team members will be responsible for completing the project work. |

We view our subcontractors as an integral part of the overall team, and we will leverage their insight and ideas in designing project work plans and delivering the work. DNV's approach to this project will ensure that LPSC perceives a single EM&V contractor service entity rather than separate firms. We set the expectation of having clear, consistent, ongoing, and documented communication between DNV and our subcontractors. While we do not expect to need them, we do have contingency plans in place should our subcontractors not perform work to our expectations. Ultimately, we expect everyone on DNV's team—including all subcontractor staff—to adhere to the overall deliverable schedule, meet all milestones, and provide work of the upmost quality.

During regular check-ins, we will review project status, schedule and budget, and progress against spending. This enables us to quickly and efficiently identify possible threats to timely, cost-adherent project delivery before they arise. Should we need to scale the size of the team up or down, we will pull on our deep bench of talent across the US. We have extensive experience mapping out schedules and resource needs for large projects, and we regularly update staffing plans to accommodate the changes that inevitably occur. If issues arise that cannot be resolved through communication with DNV's project manager or project sponsor, DNV's management system protocols require that we invoke our formal remedy and root cause analysis procedures to ensure client satisfaction.

*8. Provide a description of competencies that differentiate you from other Firms (what are your unique assets)?*

Key differentiators of the DNV team are:

- **Amount of EM&V experience for statewide/regionwide entities:** DNV is a national leader in EM&V with more than 40 years of experience, trusted and respected throughout our field for our truly innovative evaluation techniques based on stage of program maturity. What truly distinguishes DNV is the breadth of our experience and success leading EM&V work for clients like LPSC. Many of our clients have similar needs, operate in similar environments, and also run region-wide programs that require interaction with utility companies. Our subcontractor, AEG, is also well known for its rigorous evaluation approaches that stand up to prudence review.
- **Flexibility and ability to customize solutions:** Our clients have a truly wide spectrum of needs, giving us a unique level of experience operating in swiftly changing marketplaces, flexing to meet unforeseen evaluation needs, and customizing solutions. We will minimize risk better than any of our competitors by leveraging that experience.
- **Experience developing TRMs:** DNV has provided industry-leading impact evaluation support and developed, updated, and reviewed TRMs for multiple jurisdictions, including Con Edison, PSE&G Long Island, Connecticut, California, Ontario, Dominion Energy, the TVA, New Hampshire, New Jersey, Maine, Silicon Valley Power, and Vermont. AEG has also reviewed TRMs and other energy savings estimates associated with hundreds of electric efficiency measures for numerous utilities and states across the US.
- **Level of MPS experience:** This portion of the work will be led by AEG, which has performed over 100 MPSs in the last 10 years to quantify demand-side management (DSM) opportunities in electric and gas utility service territories across the country. This includes recent statewide studies in Maryland and Hawaii, as well as studies spanning multiple utility territories in Washington, Missouri, Idaho, Illinois, Massachusetts, and Washington, DC.
- **Unparalleled multistakeholder experience:** DNV offers unparalleled experience evaluating client's statewide programs and managing complex, multistakeholder scenarios.
- **Breadth of senior leadership available to support:** The DNV team's senior leadership offers an exceptional depth and breadth of experience for LPSC and our project managers to draw from.

*9. Provide information regarding your ability to meet standard Insurance Requirements. This information may be attached as an appendix and would not count towards the 25-page limit.*

DNV maintains the following insurance (policy effective dates are 06/01/2024 – 06/01/2025, renewing on 06/01 each year):

- **Workers compensation insurance:** Per statute – $5 million
- **Commercial general liability (claims-made):** General aggregate – $7 million/each occurrence – $6 million
- **Automotive liability:** Combined single limit – $5 million
- **Professional liability:** Per occurrence/aggregate – $5 million
- **Umbrella liability:** Noted in the above certificates of insurance.

DNV can provide additional insurance information, such as cyber, if required. Upon contract award, project-specific insurance certificates will be issued. Evidence of insurance certificates are shared in Appendix A.

*10. Provide information regarding your Firm's Financial Qualifications, including 3 years of audited financial statements. This information may be attached as an appendix and would not count towards the 25-page limit.*

DNV's annual reports integrate a comprehensive review of our business and of our positive financial and sustainability performance. We are proud that in 2023, DNV delivered operating revenues of $2.89 billion representing growth of 26.2% compared to 2022. DNV's 2023 and other past annual reports can be found at www.dnv.com/annualreport/. Audited financial statements for 2021 – 2023 are provided in Appendix B.

# B. Demonstration of Qualifications

*1. Organizational skills, financial analysis, and ability to track data for both individual projects and overall programs.*

We understand that one of LPSC's top priorities is to ensure both that ratepayer funds are spent efficiently and effectively and that general and administrative costs and program expenditures are prudent and reasonable. DNV can support LPSC in this oversight function because our own portfolio and project management processes are comprehensive, rigorous, documented, and streamlined. DNV offers proven and seamless contract management with fully established systems and processes—ensuring timelines are met with high quality deliverables that minimize stakeholder challenge. Our knowledgeable team and proven portfolio and project management excellence enable us to handle the complexities of this contract and ensure continuous effective communications with LPSC and stakeholders.

As the chosen contractor for residential and custom evaluation, DNV has proven to be a trusted partner to the California Public Utilities Commission (CPUC). Our work has included not only evaluation services and TRM review and approval, but we also provided audit support to the CPUC in the form of both data and documentation. Since 2018, DNV has also provided analysts to request, analyze, and organize data for the entire state of California. For example, DNV submitted a blanket billing data request to the Program Administrators (PAs) each summer and sorted the data to make it readily available to the CPUC or other stakeholders as requested. DNV has also supported the CPUC during several financial and data audits, providing records, data summaries, and documentation.

To ensure the efficient and effective expenditure of ratepayer funds within the utilities' energy efficiency portfolios, DNV has evaluated countless energy efficiency programs as well as specific measures on behalf of the CPUC. Our evaluations account for program claimed expenditures overall and across subcategories, including overhead and outreach costs. By analyzing the financial outcomes of a program, we can understand the burn rate, areas of underspending, and the balance of administrative versus direct implementation costs. We also compare the claimed versus calculated Total Resource Cost (TRC) values, which measure the cost effectiveness of the programs. We make recommendations for areas of improvement based on the financial outcomes.

*2. Developing analytics from said data to illustrate the success/failure rate.*

Success or failure of energy efficiency programs can be expressed using multiple metrics, including in-service rates, savings realization rates, cost effectiveness, customer satisfaction, and participant diversity. We track all these metrics in our data system and aggregate them at the program, utility, or state level. Some metrics are computed for each project, while others are determined at a program level using stratified sampling to achieve ±10% precision at 90% confidence. We use sampling weights based on the energy savings of each stratum to aggregate the results to the program (or other desired aggregation) level. We develop clear and meaningful graphics from this data to illustrate program success or failure in our annual reports.

To keep inspection and measurement-based M&V economical, DNV uses representative random sampling, often stratified by size. Initially grouping the population by size categories enables defensible precision with fewer sample points. After site-specific analysis, aggregating the results with both the design's strata and post-hoc stratification gives analysts additional insight into performance patterns without undue sample design complexity or cost. For economical physical verification, we use phone-based virtual video inspections, telephone interviews, web-based surveys with and without photographic data collection, and on-site visits (where critical).

Our impact evaluation focuses on cost effectiveness, in-service verification, and energy savings realization rates. The benefit to cost ratios described from various stakeholder perspectives in California's 2001 Standard Practice Manual will be used to assess program cost effectiveness. In-service rates will be used to provide assurance as to the validity of the claimed program activity and of the short-term retention of the incentivised technology or intervention. Savings realization rates are a

readily understandable ratio of evaluated energy savings over claimed savings. This can highlight areas of needed improvement, either in technical impact estimates or in implementation practices. Or, if the ratio is close to one, it can provide assurance of program success in achieving measurable energy reductions for participating utility customers.

We will develop evaluated energy savings for deemed measures by reviewing TRM savings methodologies and adjusting assumptions where warranted. For custom projects, we will review project documentation and savings calculation methodology, verifying calculation inputs through various survey platforms where there is high uncertainty. We apply higher levels of rigor to projects in sampling strata with higher energy savings thresholds. We employ well documented, best practice, evaluation methodologies from DOE's SEE Action Energy Efficiency Program Impact Evaluation Guide, the DOE Office of Energy Efficiency and Renewable Energy (EERE) Uniform Methods Project (which our staff helped author), and the International Performance Measurement and Verification Protocol (IPMVP).

DNV is highly adept at site-level whole-facility billing analysis, which we often employ to cost-effectively evaluate residential programs with large numbers of participants and where anticipated savings impacts are significant enough to measure at the utility-meter-level. We have done this for nearly all our major EM&V clients, including within the last year for CPUC, PSE, Dominion Energy, TVA, NYSERDA, National Grid, and others. This method generally requires a full year of pre- and post-retrofit consumption records but provides rigorous, reliable, and precise estimates of electric and gas impacts for determining program realization rates. We do not propose this method for use in Louisiana because annual evaluation reports are due before a full year of post-retrofit consumption data is available. However, it could be used in a special study to assess savings achieved at the meter to inform potential revisions to TRM methodologies if predicted savings are found to be very different from achieved savings.

***3. Developing standard operating procedures to support the management of the EM&V organization structure.***

To support the EM&V organization structure required for this contract, the DNV team will leverage our portfolio management experience to develop operating procedures that are cost effective, reliable, and efficient. As evaluators for some of the nation's largest EM&V portfolios, we know how to tailor our Standard Operating Procedures (SOPs) to support multiple deliverables and stakeholders. We've put together an organizational structure that we feel best supports LPSC and your mission. Our project manager, Dan Pidgeon, will oversee all aspects of the work, including staff, scope, and budget management. Dan will be supported by our project sponsor, Jennifer McWilliams, a seasoned project sponsor and engineer with over two decades of experience. Our team also includes an experienced lead for each of the main subject areas (EM&V, TRM, and potential study) which will ensure these pieces of the project are moving in concert and with efficiency.

**SUBCONTRACTOR MANAGEMENT**

To offer flexibility and a local element to the work, the DNV team is inclusive of subcontractors AEG and Encolor and students from LSU ITAC. As part of our ISO certification, all DNV contractors are thoroughly vetted through our Synergi process that ensures they have legal standing, insurance, proper documentation, security protocols, and safety standards in place and up to date. This vetting is revisited each year to ensure ongoing compliance with our rigorous standards.

Quality assurance and accuracy is an essential element of every task we undertake. We operate according to principles in our ongoing certification in ISO 9001 quality management and ISO 27001 information security management. These certifications provide a consistent, highly developed framework and a set of best-practice quality management principles.

**Figure 7. DNV's Focus on Quality**


DNV's experienced and trained project sponsors and managers adhere to vetted and well-controlled quality control procedures and have immediate access to the industry's leading subject matter and technical experts. All DNV staff with budget, schedule, and project scope responsibilities go through a rigorous internal training.

As an ISO 9001-certified organization, DNV follows a comprehensive set of guidelines governing project management, including risk assessments and mitigation, quality control, critical path alignment, and other important processes. DNV has very strict internal project management requirements. These requirements include a project charter and project management plan as well as a risk register, lessons learned documentation, and an information asset registry. Also, as part of our ISO certification process, DNV undergoes both internal and external audits on a rolling basis to ensure the highest quality work possible. Elements of our project charter and management plan include:

- Project goals and objectives
- Work breakdown structures, including expert engagement in work planning
- Schedule management, including monthly tracking of progress against timeline and budget as well as steps required to meet deadlines
- Budget management, with weekly reviews of project spending
- Risk matrix tracking, used to identify problems early and then engage our advisory team or others to solve quickly
- Project team roles, including clear assignments to all internal staff and subcontractors

***4. Understanding confidentiality rules/restrictions, including the ability to protect customer specific information and data, and has a history of abiding by confidentiality requirements.***

DNV uses a range of measures to monitor data privacy and cybersecurity. Digital security forms a large part of the security culture within DNV. We maintain awareness of online and cyber threats and monitor IT systems and users through a variety of technical, physical, and personnel controls. We measure employee awareness of cyber security risks by conducting quarterly phishing tests and monitoring changes in the results. In 2023, we upgraded our certification to the ISO 27001:2022 (cert# 2254773) information security management system standard.

DNV is familiar with and in compliance with the State of Louisiana Information Security Policy, published by the Division of administration, Office of Technology Services. DNV takes a risk-based approach to the full data cycle: creating and collecting data, storing data, using data, sharing data, and archiving and deleting data. Confidential data is encrypted at rest and in transit. DNV follows the stricter of DNV, state, federal, or client-specific data privacy and information security regulations

and/or contractual terms. Energy Insights has never experienced a breach of confidentiality within its systems or regarding client data.

*5. Familiarity with conducting Quality Assurance ("QA")/ Quality Control ("QC") reviews of EE projects.*

DNV has a vast amount of experience conducting Quality Assurance (QA) and Quality Control (QC) as part of our review of energy efficiency projects. Our approaches are often tailored to the needs of our customers based on their preference of rigor level, the areas of the portfolio with highest savings uncertainty, and alignment of budget and timeline. DNV's QA/QC approaches adhere to principles defined through our certifications in ISO 9001 quality management and ISO 27001 information security management.

The DNV QA/QC approach typically addresses four primary risks to EE savings claims:

- **Data quality:** DNV will first analyze each evaluated program's tracking database to confirm all relevant fields are filled out and do not contain anomalous or erroneous values. If they do, DNV will raise these issues with the Administrator and LPSC. This step is critical for newly launched programs and tracking data systems.
- **Savings accuracy:** Prescriptive measures will likely follow the TRM, either via deemed savings or savings algorithms as a function of measure characteristics. DNV will cross-check the alignment of savings between tracked values and TRM-compliant values; any inconsistencies will be elevated to the Administrator and LPSC.
- **In-service rate:** All sampled projects will include confirmation that the incentivized measure(s) were installed and remain in operation. Depending on rigor, these verifications may occur via videoconference, phone call, web survey, or site visit.
- **Baseline:** When possible, DNV will validate baseline conditions among a sample of evaluated measures. For example, DNV previously conducted "tag and bag" verification for a multifamily program offering LEDs, smart thermostats, and advanced power strips. The installation vendor was instructed to bag all replaced light bulbs, thermostats, and power strips, and each bag was tagged with a unique identifier associated with the property and dwelling unit. DNV then conducted physical verification of baseline conditions among a statistical sample of collected bags.

DNV has reviewed the QA/QC approach planned by the Administrator, which primarily involves automatic on-site QA/QC of high-incentive and/or custom projects, automatic selection of the first five projects completed by a trade ally, and random selection of 5% of remaining applications for QA/QC. We will work with the LPSC to ensure that the EM&V QA/QC activities do not unnecessarily duplicate those of the Administrator, while also ensuring sufficient third-party oversight.

*6. Experience surveying customers and making recommendations for program improvements.*

DNV is known for its expertise in surveying and data collection. Nearly every evaluation project we conduct involves a market research component, so we have conducted market research for many hundreds of studies and have conducted tens of thousands of interviews. DNV has a proven ability to obtain the high response rates needed to develop meaningful information, and we are dedicated to continuous improvement to obtain the highest possible response rates with the least possible disturbance to participants. Our team engages in flexible, proactive approaches to adjustment in outreach frequency and modes, including regular engagement of program staff to improve the credibility of the study and increase response rates.

DNV uses different types of surveys to tailor each individual study to the size and scope of each customer project, such as:

- Standard surveys, including of market actors, of customers, and longitudinal, baseline, and market characterization
- Targeted real-time surveys
- Primary data, based on sales, customer understanding, and market share
- Secondary data, such as sales, market share, and case studies
- Panels
- Other focused and non-traditional methods (e.g., Delphi methods, in-depth interviews, focus groups, and social platforms)

DNV has worked with manufacturers, private market energy service providers, and program sponsors on focused studies to support strategic decisions on product development investments, market entry, and program design. These studies often include competitor assessment, market influences, value proposition definition, and business case development. Further, DNV has developed expertise in anticipatory insights, identifying drivers of change in customer acceptance of and vendor promotion of energy-efficient products and services–drivers, such as rapid change in product performance and/or price, new value propositions, and impending changes to standards and codes.

DNV has conducted the California Residential Appliance Saturation Survey (RASS) studies for over two decades. The latest study collected data for nearly 40,000 households and produced granular estimates available via the website. The effort included online and mailed paper surveys to provide information on appliances, equipment, and general consumption patterns, including electric vehicle charging and renewable energy technologies. Survey and CDA results were weighted to provide estimates at various levels of interest, including statewide population-level, utility-level, and CEC forecast zone. Deliverables included a webtool that enables user-defined, dynamic analysis.

***7. Experience drafting, or assisting in the drafting, of a TRM, or similar document.***

DNV offers unparalleled experience in the development, upkeep, and review of TRMs, having done so for multiple jurisdictions in North America, including the Tennessee Valley Authority, Dominion Energy, Con Edison, PSE&G Long Island, Connecticut, California, Ontario, New Hampshire, New Jersey, Maine, Silicon Valley Power, and Vermont. Our methodical, data-driven approach to drafting and reviewing TRMs assures that evaluation best practices are up to date with technical advances and accurately reflect implementation costs, savings, and other impacts.

Whether developing original TRMs, updating or adjusting measures to comply with TRM protocols, or verifying TRM compliance during impact evaluations, our efforts result in readily understood and transparent technical documentation. DNV also has extensive experience in primary research and evaluation projects that support TRM updates, ranging from survey work and interviews for net-to-gross/attribution studies to on-site logger deployment and data analysis for impact and process evaluations. Our regular technical maintenance of TRMs includes updates to reflect changes in codes, industry standard practice, and ENERGY STAR qualification requirements. Each TRM update includes incorporation of new measures, as warranted by the portfolio's offerings, as well as sunsetting measures no longer offered.

DNV has conducted multiple rounds of review of Connecticut's Program Savings Document, the New Jersey TRM, TVA TRM, and the California Measure Packages and transition to eTRM, continually recommending new or revised measures supported by primary research. In addition, DNV developed the first ever TRM in New Hampshire, drafting over 100 measures from scratch using the Massachusetts TRM as a technical basis. DNV also handles TRM updates for Dominion Energy, adding 7–10 DSM programs to its portfolio every year, and adding new measures to maintain breadth across Dominion's prescriptive programs.

***8. Experience participating in EE working groups.***

DNV's senior staff has expertise both *facilitating* and *participating* in working groups, ranging from highly technical panels to policy development.

**Facilitation.** Effective working group facilitation starts with best practice general meeting preparation, such as clearly defining overall group and individual meeting objectives, providing in advance agendas with time allocations for each topic, and providing follow-up minutes with decisions made and action items. Working group facilitation preparation also requires right-sizing the group, ensuring representation among disparate groups, splitting into subgroups if the number of stakeholders or topics is large, assigning homework to stakeholders, and, above all, not being a technical advocate for a particular outcome.

It is critical to ensure all members have a voice. Successful facilitation requires a willingness and an ability to call on quieter staff or reach out to them off-line, to "parking lot" issues, to handle dominant voices, to be both supportive and directive, and to have respect for all. When possible, the lead facilitator should be different from the primary note-taker. Working group facilitators should strive for unanimous agreement but recognize it is not always possible and provide a mechanism for dissenting opinion. Lastly, remember to celebrate success.

**Participation.** Healthy participation in working groups has many of the same characteristics as facilitation but is not the same. Participation requires the same level of preparation, open-mindedness, willingness to negotiate and respect for others, but also demands subject matter expertise and a willingness to take a stand. Being persuasive by being able to appeal to the needs of others is a powerful tool.

Figure 8 is a selective sample of DNV's working group experience.

**Figure 8. DNV's Experience Facilitating/Participating in Working Groups**

| Working Group | DNV Role |
|---|---|
| Massachusetts' Baseline Framework (More than two dozen stakeholders and seven utilities) | Facilitated and led authorship of an evaluation policy which has been adopted in Massachusetts<br>*Sample work product: MA-CI-Baseline-Framework* |
| Dominion Energy TRM Working Group | Developed the working group framework and lead activities<br>*Sample work product: TRM for Non-Residential Programs (Appendix F2)* |
| New York Clean Energy for Agriculture Task Force | Facilitated and led authorship for the strategic plan<br>*Sample work product: CEATF Plan* |
| New York Clean Energy Advisory Council Metrics, Tracking and Performance Assessment Working Group | Invited participant and section author of regulator-ordered evaluation policy document<br>*Sample work product: NY CEAC MTPA Guidance* |
| New Jersey TRM Committee Support | Facilitated support and document management<br>*Sample work product: NJ TRM 2023* |
| Metrics, Tracking and Performance Assessment Working Group | Act on behalf of NYSEG and RG&E as part of stakeholder groups focused on electrification policy |
| California Baseline Policy Track 1 Working Group | Facilitated and led authorship of evaluation policy document<br>*Sample work product: Working Group Report* |

***9. Experience producing, reviewing, and utilizing EM&V Plans.***

DNV has produced, reviewed, and utilized hundreds of EM&V Plans for our clients, as we produce a plan for every EM&V contract. EM&V planning will be based on data gathered from roundtables with program managers and contractors, benchmarking, a deep understanding of the regulatory support desired, and the way LPSC operates its savings and tracking systems. These activities will provide a rich set of objectives to weave into the EM&V planning cycle. Once the plan is produced, we often make it public to allow both customers and the broader public to comment before we undertake the work.

One example of our experience producing, reviewing, and utilizing EM&V Plans is our work with CPUC. DNV's staff worked closely with CPUC staff and advisors as well as with the California IOUs to help them maintain the overarching annual EM&V Plan. This large effort required extensive collaboration and coordination. Coordination across multiple stakeholders was necessary to complete the annual plan update. Collaborative approaches formed the core of this project, including working closely with CPUC staff advisors, IOU staff, and other stakeholders. We fostered collaboration via participation in regular Project Coordination Group calls, quarterly public EM&V stakeholder meetings, and subject-specific meetings, calls, and webinars. These efforts were important to ensure that we coordinated research activities across these groups, provided ample opportunity for input and feedback from all interested parties, and provided updates in the manner most useful for

each stakeholder group. Our team successfully reduced the annual document from a cumbersome 500 pages to a more accessible 100 pages.

A second example is our work with the Ontario Energy Board (OEB). Since 2016, DNV has been responsible for producing an EM&V plan, for maintaining the TRM, and for the primary communication between the evaluation team, the OEB and Evaluation Advisory Committee. We also oversee all evaluation work, including studies implemented by DNV and other evaluation providers, and conduct annual audits of the utility portfolios, which result in shareholder incentive and lost revenue estimates and cost-effectiveness results.

Another example is the work we conduct for the EM&V planning and implementation for the current Dominion Energy Schedule 1G residential rate time-of use "Off Peak Plan," that is currently planned to be offered to customers with AMI data from 2021 through the end of 2024. The purpose of the evaluation is to provide information to Dominion Energy and its Virginia stakeholders about how well Experimental Rate Schedule 1G is achieving its objectives. To that end, the EM&V plan is organized around research questions that will measure the rate outcomes and rate management against stated goals.

***10. Experience performing EM&V functions, verifying savings, costs, and cost effectiveness, as well as producing Annual Reports.***

**Perform EM&V functions.** DNV has more than 40 years of experience evaluating energy efficiency programs and conducting EM&V functions. We have the most nationally recognized thought leaders and experts in the fields of engineering, market research, economic analysis, and EM&V, and they have pioneered evaluation concepts, methodologies, and tools used by practitioners throughout the US and abroad. We can identify the magnitude of opportunities, design cost-effective options to capture energy savings and demand response contributions, develop pilot programs through full-scale designs, and evaluate program outcomes.

Our experience encompasses a wide range of evaluation goals and disciplines, touching on virtually every type of program, technology, and targeted sector. The DNV team's capabilities span all aspects of impact and process evaluation for residential, commercial, industrial, agricultural, and demand response programs. DNV conducts the full range of market research services to help develop the data necessary for effective strategic planning.

**Verify savings, costs, and cost effectiveness.** Verifying savings costs and cost effectiveness is a key part of our work. Our approach is to estimate verified gross and net energy savings at a precision level that satisfies regulatory requirements and remains cost-effective. The methods we employ include the use of participant surveys, program tracking data reviews, samples of completed rebate applications, site verification (with or without metering), engineering desk reviews, billing analysis, and building simulation. DNV will assign the most cost-effective technique to quantitatively assess each program based on their unique features and data availability.

**Produce annual reports.** Producing easy-to-read annual reports is a key part of our work. The EM&V work we conduct will all culminate in an annual report that will include no surprises thanks to ongoing feedback mechanisms and will feature a rich tracking analysis to cross-check assumptions and program performance (including satisfaction), a sampling approach and study rigor with continuity from project files through tracking and verification that supports the integrity of study results, and information from other research (e.g., benchmarking). For more information on our approach to annual reports, please see our response to Question C4.

***11. Experience developing Market Potential Studies and evaluations of feasible and economically optimal levels of energy efficiency.***

DNV has completed dozens of market potential studies for both residential and commercial clients across the nation. For this scope of work, however, we have brought onto our team AEG, a national leader in assessments of long-term market potential. AEG has performed more than 100 such assessments over the past decade, including multiple statewide studies. Figure 9 provides a representative snapshot of AEG's recent market potential studies, spanning geographies, fuels, and

resources. Each study in Figure 9 included a comprehensive market characterization, baseline end-use projections, in-depth analyses of measures and estimation of energy and peak-demand savings potential across numerous scenarios. Additional detail on these and other studies is available upon request.

**Figure 9. Overview of AEG Recent Market Potential Study Experience**

| Client | Year(s) Completed | Customer Surveys | Demand Response | Program Design | Supply Curves | Sensitivity Analysis | Stakeholder Support | Regulatory Support | Electricity | Natural Gas |
|---|---|---|---|---|---|---|---|---|---|---|
| Ameren Illinois | 2020, ‘16, ‘13 | P | | P | P | | P | P | P | P |
| Avista Corporation (9 studies; 3 states; 4 cycles) | 2024*, ‘22, ‘20, ‘18, ‘16, ‘14 | | P | | P | P | P | | P | P |
| Berkshire, Liberty, Unitil Massachusetts | 2021 | P | P | | | | P | | P | P |
| Black Hills Energy/Colorado Electric | 2024, ‘20, ‘18, ‘15 | | P | P | P | | P | P | P | |
| Consumers Energy | 2023 | | | | P | P | | | | P |
| EmPOWER Maryland | 2023, ‘16 | P | P | | | | P | | P | P |
| Evergy (KCP&L) | 2022, ‘17 | P | P | P | P | P | P | | P | |
| Georgia Power Company | 2024, ‘20 | | | P | P | P | P | P | P | |
| Idaho Power Company | 2024*, ‘22, ‘20, ‘18, ‘16, ‘14, ‘12 | | | P | P | | P | | P | |
| NorthWestern Energy | 2024 | P | P | | P | | | P | P | |
| PacifiCorp (6 states) | 2025*, ‘23, ‘22, ‘18, ‘16, ‘14 | | P | P | P | P | | | P | |
| Peoples Gas/North Shore Gas | 2024*, ‘21 | | | P | | P | | | | P |
| State of Hawaii | 2020, ‘13 | P | P | P | | P | P | | P | |
| State of Michigan | 2017 | P | P | | | P | | | P | |
| Tacoma Power | 2025*, ‘23, ‘21, ‘19, ‘17, ‘15 | | P | | P | P | P | | P | |

**Ongoing*

AEG will perform the market potential study using its cloud-based VisionLoadMAP model, the latest iteration of the LoadMAP model AEG uses to perform all its market potential studies. VisionLoadMAP is an end-use forecasting model that uses customized inputs to assess the impacts and cost-effectiveness of individual technologies in order to provide a comprehensive picture of technical, economic, and achievable potential. The current version of the model offers clients direct web-based access to view model inputs and outputs, with integrated reporting through PowerBI.

# C. Approach to EM&V Functions

***1. Data Systems: Explain how the EM&V contractor will utilize the data systems developed by the Administrator. Also, explain if any other software will be used by the EM&V contractor and how the software would be transitioned, if necessary, to a successor EM&V Contractor at the conclusion of the contract period. Be sure to differentiate between the programs developed for and owned by the Commission and those that are proprietary to your Company. Specifically explain what programs will be available to the Commission at the conclusion of the contract period that can be used by the Commission for ongoing monitoring purposes.***

All program administrators have some form of tracking software, whether proprietary or off-the-shelf, and very often different program administrators use different tracking systems within jurisdictions or portfolios. DNV's network architecture (cloud or on-premise), secure file transfer platforms, data ingest processes, and production of outputs can all be structured to accommodate source and production data specification, transfer protocols for APTracks, or other systems in use by program administrators. DNV's evaluation teams routinely process data from multiple software platforms for tens of millions of customers across program administrators in Massachusetts, Rhode Island, Connecticut, Virginia, California, Michigan, Tennessee, and Ontario. DNV has specialized digital and data management departments that provide direct support to our evaluation teams and clients. Typically, DNV takes advantage of US-based Microsoft Azure's security and database capabilities to manage program tracking and billing data.

Custom software is not being proposed in this proposal. DNV uses off-the-shelf analyses and reporting software such as PowerBI, SAS, Excel, and other Microsoft 365 products. Programming languages such as Python are also used for some specialized quantitative analyses. This assures that EM&V work products can be replicated by LPSC or a successor EM&V contractor.

***2. Data System Management: Assuming the EM&V contractor develops software for purposes of the LPSC Commission's statewide EM&V program, describe your experience in developing and maintaining software. As part of this, describe how your Firm will manage and maintain confidentiality and security of the software systems.***

Software development is not in the scope of this proposal. DNV's policies regarding the confidentiality and security of data is addressed in our response to Question B4.

***3. EM&V Plan Samples: Explain your approach and experience in developing EM&V Plans. Provide at least two samples of plan documentation produced in previous work with programs and especially in multi-utility jurisdictions. These samples may be attached as an appendix and will not count towards the 25-page limit.***

As noted in our response to Question B9, DNV produces EM&V plans for every EM&V contract, meaning we have developed, reviewed, and used hundreds of EM&V plans. The EM&V plans for LPSC will include all elements of the project that will ultimately be delivered to LPSC. They will also include internal planning activities, as well as project management, tracking, and assignment details. EM&V plans will clearly describe methodology and activities, including how we will:

- Gather, document, and vet data sources.
- Engage stakeholders.
- Choose, evaluate, and use tools and methods.
- Develop an evaluation data collection plan.
- Coordinate with LPSC staff and stakeholders.
- Identify skills and resources needed on a team to perform the work.
- Manage project and communication with LPSC staff.
- Assess the potential barriers and opportunities for providing annual results and how to balance completeness of data, representativeness of samples, meaningful results, reporting costs, collaboration with LPSC staff, stakeholder engagement and review, and disputes over methods and/or results.

- Detail energy savings and cost effectiveness measurement, estimation, and evaluation approaches to address specific requirements as reflected in Phase II.

For information about DNV's experience producing EM&V plans, please see our response to Question B9.

In Appendix C, we have provided an EM&V plan produced for Dominion Energy as well as a heat pump electrification workplan produced for New Jersey Board of Public Utilities.

***4. Annual Reporting Samples: Explain your approach for developing annual reporting. Provide at least two samples of reporting produced in previous work with programs and jurisdictions. Preferred examples would demonstrate experience with 1) evaluation of energy efficiency programs with multiple utility jurisdictions and 2) savings reporting of energy efficiency programs. These samples may be attached as an appendix and will not count towards the 25-page limit.***

DNV creates user-friendly reports that engage the stakeholders. We use the 1-3-25 reporting model to ensure that our reports are visually impactful, contain clear and concise recommendations, and encourage engagement. By having documents of different lengths and detail, readers can quickly understand the conclusions of the report while consuming additional details at their own pace. This approach will provide LPSC with various formats to share and expand their reach to new audiences and regular readers alike. The report package includes:

- A 1-page handout, useful at conferences or as cut sheets on social media posts
- A 3-page executive summary with more information for the engaged reader, designed as the public-facing document made available for readers before downloading the full report on LPSC's website
- A 25-page report
- Relevant appendices containing detailed information on the approach and background, index results, and state-level information

**Figure 10. DNV's Standard Report Package**


To develop the report, we will:

- Work with LPSC to revisit objectives, identify key themes, and agree on report structure and content
- Develop the report outline and solicit feedback
- Draft the report and conduct reviews by both DNV technical editors and LPSC
- Finalize the draft report

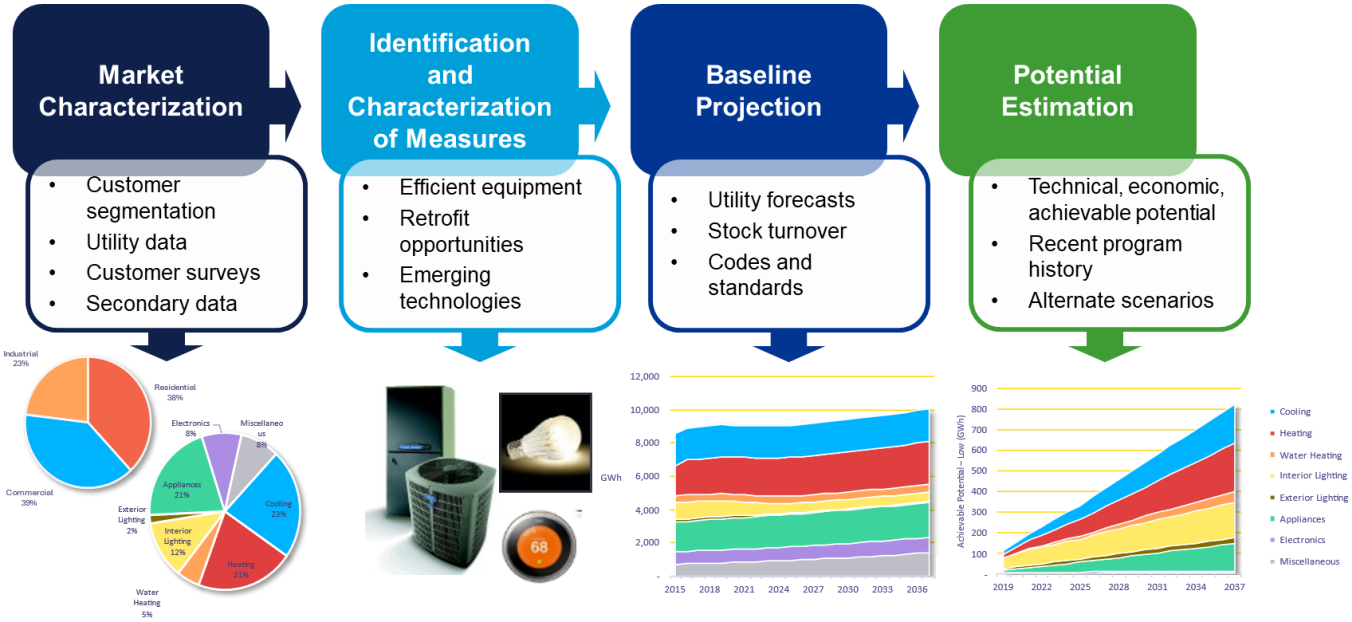
DNV will work with the LPSC reporting team to understand the main takeaways and insights that should be highlighted in the 1-page handout and 3-page executive summary. We will develop templates that align with the look and feel of previous reports and then begin developing graphical mock-ups of the 1-page and 3-page documents while the full report is being finalized with LPSC. Draft 1-page and 3-page documents will be shared with LPSC along with the draft report. We will include senior technical and creative staff reviews as part of our reporting process to ensure that our reports are concise and easy to read, while also maintaining requisite levels of detail on methodology and results. Once content is approved, all documents will be produced and finalized with LPSC before publication.

As requested, DNV has provided sample reports in Appendix D.

*5. Market Potential Study/Market Research: Please describe your approach and capabilities to develop market potential studies. Explain what data is required and experience conducting studies, particularly on behalf of multiple utility jurisdictions having multiple geographies and demographics. Provide at least two samples of studies previously produced. These samples may be attached as an appendix and will not count towards the 25-page limit.*

DNV has brought AEG onto our team to leverage their depth of experience producing market potential studies and research. AEG uses a standard process to perform market potential studies, as shown in Figure 11.

**Figure 11. AEG's Standard Market Potential Study Process**




As a first step in the market potential study planning process, our team will meet with the LPSC to identify priorities and desired outcomes and to make key decisions on the depth of the study. The primary decision will involve granularity, and the most granular approach would involve modeling inputs and assumptions specific to each utility territory. For a statewide study covering many utility service territories, this granularity requires modeling each service territory individually to capture unique characteristics affecting energy consumption and potential, including the mix of customers across sectors and subsectors, customer demographics and firmographics, weather, building stock characteristics, and local ordinances. However, this granular approach is significantly costlier than modeling at the state level.

The MPS budgets in the RFP's Attachment B reflect an assumption that the potential study inputs and assumptions will be developed at the state-wide level. Our team will work with LPSC during the contracting and planning phases to weigh the costs and benefits of the more granular, utility-territory-specific approach. If this higher rigor is desired by LPSC, we would propose to leverage funds from the "Other Analysis, Studies, and Commission Support" category. To make the assessment as accurate as possible for the state as a whole, AEG anticipates requesting the following information from the utilities and/or LPSC:

- Customer databases with annual energy consumption for the most recent calendar year
- Load and customer forecasts
- Peak period definition and peak demand projections
- Distributed generation, electric vehicle, and electrification forecasts
- Market research on customer equipment, characteristics, and/or energy consumption
- Avoided costs and other relevant economic data for cost-effectiveness testing
- Historical program costs, savings, and measure installations

Additionally, when characterizing measures, AEG will use parameters from the Arkansas or New Orleans TRMs or use those developed as part of the creation and maintenance of the TRM under this scope of work. Measure savings will be adjusted as appropriate to reflect differing characteristics across utility service territories.

AEG has provided two sample studies in Appendix E.

***6. Measure Management: Please describe your experience coordinating with Administrators and other consultants on Measure Management activities. Also, describe your experience in managing TRM development projects in prior activities.***

As the primary author or major contributor to more than a dozen TRMs since 2012—primarily in the Northeast Region and in California—DNV offers highly relevant experience and technical expertise in the development and update of technical reference documentation.

DNV's approach is based on close cooperation with program administrators and other stakeholders to provide technical and administrative assistance. This enables us to develop a document that responds to stakeholders' needs, represents best-practice technical and organizational methods, and is fully maintainable and updatable as market forces and policies evolve. In most jurisdictions, we meet monthly with measure developers and technical consultants to collaborate, prioritize measure update activities, and reach consensus solutions.

DNV's stakeholder review process ensures that each measure change in the TRM receives adequate review. As part of the review process, DNV maintains a measure tracker so that all stakeholders can easily identify the status of any TRM changes. Recently, DNV successfully led 135 TRM measures through two rounds of external review in about three months using a similar process. We received over 700 external comments on the individual measure drafts and, for ease of review, provided a comments matrix documenting our response to each one.

Measure updates may include in-depth review of measure assumptions, descriptions, and parameters of multiple TRM sources, including New Orleans and Arkansas TRMs, in order to recommend measure development additions based on relevance to Louisiana and industry acceptance. DNV will notify the administrators of recommended revisions and, depending on the complexity of recommended revisions, may discuss the proposed changes with the administrators before proceeding to the measure draft. Some measures may go through multiple rounds of review and comment. DNV uses a management log to capture all questions and comments from stakeholders to be sure they are being addressed and to provide transparency.

***7. Stakeholder Coordination: The EM&V contractor will need to communicate and collaborate with multiple parties related to the EE program. Please describe your experience coordinating with utilities, administrators, trade allies and working groups to support the overall goals of the program.***

DNV understands that LPSC requires its contractor to have extensive experience managing diverse groups of stakeholders. Our work for the Massachusetts Program Administrators, the CPUC, Tennessee Valley Authority, the Michigan Energy Optimization Collaborative, the Northwest Energy Efficiency Alliance, and many other clients with large program portfolios proves that we can deliver successfully within this context.

One of the advantages we offer is the proven ability to meet diverse stakeholder needs within a single project. These environments require us to balance multiple (and sometimes competing) stakeholder priorities. We are adept at designing and implementing cohesive studies that address various research objectives to extract useful insights.

We have developed approaches to communications and facilitation to incorporate different perspectives. We establish project coordination groups (PCG) for large/complex studies with a diverse set of stakeholders including regulators, subcontractors, implementers, IOUs, experts, and others. Through a combination of PCG calls, collaboration sites (like basecamp), document review, and a formal comment process, DNV engages clients and stakeholders and fosters collaboration for all key project milestones, including finalization of workplans, methodology, research instruments, and

reporting. For example, in our recent engagement with the CPUC, we have participated in and/or conducted 30 stakeholder workshops or webinars and collaborated monthly via PCG meetings.

***8. Local Staffing: Please describe your ability and experience to staff a local office to support effective communication and collaboration with the LPSC, Administrator, and EEWG, and to support the overall goals of the program.***

DNV has two office locations in Louisiana, and AEG has offices in Oklahoma. DNV's local offices are at:

*1128 Coolidge Street Suite 201*
*Lafayette, LA 70503*

*3525 North Causeway Boulevard Regions Bank Building,*
*Suite 1053*
*Metairie, LA 70002*

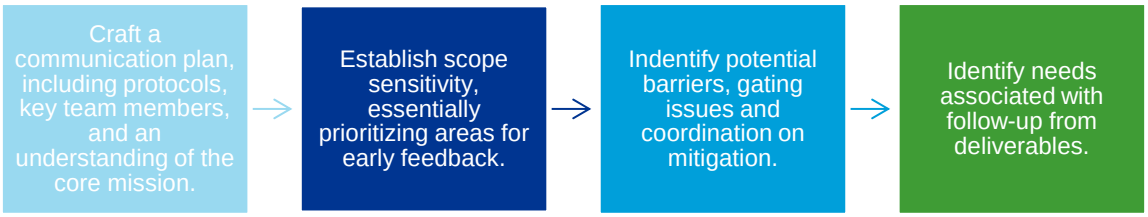
In assembling our team for LPSC, DNV has prioritized bringing our most qualified staff and trusted partners from across the nation. This mirrors our approach for other key clients with similar structures and needs as LPSC, where the best staff to provide services are not always the closest geographically (see our corporate qualifications in Appendix I for examples).

**To ensure a local component to the work, we have included LSU ITAC students on our team.** They will be responsible for assisting with EM&V site visits and desk reviews. We have close relationships with several university ITACs across the US, and we have had strong experience hiring full-time employees from these programs. (See our response to Question A7 for a more detailed description of how LSU students will be engaged.)

Furthermore, **we commit to making key staff available to meet in-person as fits LPSC's needs.** For example, we plan to have our project manager (Dan Pidgeon) and project sponsor (Jennifer McWilliams) travel to meet with you at least once yearly. If deemed a priority by LPSC, we would discuss permanently relocating certain staff to provide a more local presence. We will also make **in-person meetings with DNV's senior advisor** (Jon Maxwell, Vice President, Design & Evaluation) a part of our process.

Most importantly, DNV has found that the key to successful partnerships is not the location of our staff, but our strong project management and regular, clear communication with our clients. We will set the expectation of having clear, consistent, ongoing, and documented communication between DNV and LPSC from the very beginning. We will develop a clear communication plan that ties to scope and schedule, and we propose bi-weekly coordination/communication meetings between DNV and LPSC. Our communications process is built on the key elements shown in Figure 12 below.

**Figure 12. Key DNV Communication Elements**



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# D. Cost Proposal

*1. Provide the proposed budget in the required format provided in Attachment B as well as an hourly rate schedule for management personnel and expected functional roles. The proposed budget shall be submitted as a total, not-to-exceed budget. If selected, Firms shall only be allowed to charge for actual hours of work performed and costs incurred. Further, once selected, a Firm's hourly rates and budget shall not be altered except by formal approval of the Commission. Note that budgets provided by bidders cannot be provided confidentiality pursuant to Commission requirements. All budget information will be considered public information.*

*Attachment B provides a breakdown of the cost proposal into 6 cost categories aligned to the functions described in part IV.B above. It is key that Firms provide a complete description of the level of service corresponding to the bid price for each category. Firms should include a narrative description and key metrics for each category to accompany the budget template response. To the extent that the pricing can be further broken down by sub-category or function beyond what is required by Attachment B, supplemental detail for each category can be provided separately.*

DNV's submittal includes Attachment B in the format requested by the RFP, now attached in Appendix F of this proposal. Within a separate file titled "DNV Supplemental Budget Detail," also included in Appendix F of this proposal, DNV has provided four tabs that provide additional resolution into labor hours and hourly rates:

- **Labor hours detail:** As requested on RFP page 11, DNV has provided supporting detail on labor hours by year and cost category. This tab is structured in a format similar to that of Attachment B.
- **Labor hours by title:** This tab shows the distribution of labor by title and by firm.
- **Hourly rate schedule:** This tab presents hourly rates for all functional roles across the contract's five years. The hourly rate schedule is included below as well.
- **Listed staff:** This tab presents hourly rates for management staff across the contract's five years.

**Figure 13. Hourly Rates**

| Firm | Title | Hourly Rates | | | | |
|---|---|---|---|---|---|---|
| | | 2025 | 2026 | 2027 | 2028 | 2029 |
| DNV | Senior Principal | $395 | $405 | $415 | $425 | $435 |
| DNV | Principal 2 | $320 | $333 | $346 | $360 | $374 |
| DNV | Principal 1 | $299 | $311 | $323 | $336 | $350 |
| DNV | Senior 2 | $265 | $276 | $287 | $298 | $310 |
| DNV | Senior 1 | $245 | $255 | $265 | $276 | $287 |
| DNV | Professional 2 | $215 | $224 | $233 | $242 | $252 |
| DNV | Professional 1 | $205 | $213 | $222 | $231 | $240 |
| DNV | Assistant 2 | $165 | $172 | $178 | $186 | $193 |
| DNV | Assistant 2 | $165 | $172 | $178 | $186 | $193 |
| AEG | Senior Vice President & General Manager | $357 | $371 | $386 | $402 | $418 |
| AEG | Vice President | $335 | $348 | $362 | $377 | $392 |
| AEG | Senior Managing Director | $319 | $332 | $345 | $359 | $373 |
| AEG | Managing Director | $304 | $316 | $329 | $342 | $356 |
| AEG | Senior Director | $284 | $295 | $307 | $319 | $332 |
| AEG | Director/Principal Consultant | $270 | $281 | $292 | $304 | $316 |
| AEG | Lead Consultant | $257 | $267 | $278 | $289 | $301 |
| AEG | Associate Director | $254 | $264 | $275 | $286 | $297 |
| AEG | Senior Manager/Senior Consultant | $236 | $245 | $255 | $265 | $276 |
| AEG | Manager/Consultant | $217 | $226 | $235 | $244 | $254 |
| AEG | Associate Manager/Associate Consultant | $207 | $215 | $224 | $233 | $242 |
| AEG | Lead Analyst | $199 | $207 | $215 | $224 | $233 |

| Firm | Title | Hourly Rates | | | | |
|---|---|---|---|---|---|---|
| | | 2025 | 2026 | 2027 | 2028 | 2029 |
| AEG | Senior Analyst | $181 | $188 | $196 | $204 | $212 |
| AEG | Analyst | $170 | $177 | $184 | $191 | $199 |
| AEG | Administrative | $125 | $130 | $135 | $141 | $146 |
| LSU | IAC Student Engineer | $100 | $104 | $108 | $112 | $117 |

***2. Describe how your EM&V Contractor budget accounts for uncertainty? For example, the EM&V Contractor may be required to perform studies that have not been specifically identified in this RFP. Please explain what budgeting allowance the Firm has included to account for this possibility. Costs for this item should be included in Attachment B under the task "Other Analysis, Studies, and Commission Support."***

DNV prepares for uncertainty within portfolio evaluations, particularly for new portfolios such as the Statewide EE Program where the program-by-program details are not yet known. We have structured the budget in Attachment B to allow flexibility in how the funds for a given year or function are disbursed. As program details are revealed in the Administrator's plan in 2025, DNV will collaborate with LPSC to allocate EM&V funds by program and by year based on program-specific budgets, savings goals, forecasted participation, and risk to the overall portfolio. For example, newly designed programs will benefit from early assessment through process evaluation or a pilot impact study, whereas more established programs with a richer history of utility-run evaluations may not require that kind of assessment. Attachment B also includes estimates for direct costs resulting from travel, honorariums to encourage customer participation in surveys and site visits, electrician costs for high-rigor M&V visits, and survey software licensing.

To ensure alignment with Section III.E.1 of the EE Rules, DNV has apportioned funds in the proposed budget to account for additional studies or support. These activities are generally not yet known. DNV will work with LPSC to identify these other needs during the first-year transition period and subsequent evaluation years. **The most notable additional study included in the budget's 17% allocation for "Other Analysis, Studies, and Commission Support" is the development and maintenance of a Louisiana TRM.** DNV will assess if a Louisiana-specific TRM is needed; these funds are included within Attachment B's "Technical Reference Manual" function. Since it is not yet clear if a Louisiana-specific TRM is warranted, DNV has allocated $541,228 to "Other Analysis, Studies, and Commission Support" to support its development and subsequent annual revisions. The remaining $217,524 within "Other Analysis, Studies, and Commission Support" account for ad-hoc studies not yet known.

***3. Provide a sample contract, or preferred terms, for use in the development of the final contract. Regardless of whether a sample contract or preferred terms are provided, indicate which terms your Firm considers to be non-negotiable. Note, while a sample contract or preferred terms are being requested, the Commission will issue its version of an initial term sheet by the date indicated in the Schedule provided in Section 1A above for Firms to review, provide comments, and questions to Staff. The Commission will then issue a contract to the Firm selected for the job.***

DNV's core contracting principles require DNV to enter into fair and balanced terms and conditions that reflect the partnership relationship between DNV and its customers. One of the main contracting principles is that any terms and conditions DNV enters into with a customer must include a reasonable limitation of liability or liability cap that proportionally allocates DNV's risk to the services being rendered.

For our general terms and conditions, please see Appendix G.

# Appendices

Appendix A. Insurance Qualifications

Appendix B. Financial Qualifications

Appendix C. Sample EM&V Plan Documentation

Appendix D. Sample Annual Reporting

Appendix E. Sample Market Potential Study

Appendix F. Cost Proposal

Appendix G. Sample Contract(s)

Appendix H. Conflict of Interest Statement

Appendix I. Corporate Qualifications

Appendix J. Team Member Biographies

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# Appendix A. Insurance Qualifications



ACORD®

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 05/31/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| | |
|---|---|
| PRODUCER<br>Willis Limited<br>51 Lime Street<br>London, EC3M7DQ GBR | CONTACT NAME: WTW Certificate Center<br>PHONE (A/C, No, Ext): 1-877-945-7378 FAX (A/C, No): 1-888-467-2378<br>E-MAIL ADDRESS: certificates@wtwco.com |
| | INSURER(S) AFFORDING COVERAGE — NAIC # |
| | INSURER A : Lloyd's Syndicate 1200 — C1647 |
| INSURED<br>Stiftelsen Det Norske Veritas<br>(see attached for additional Named Insureds)<br>1400 Ravello Drive<br>Katy, TX 77449 | INSURER B : Assicurazioni Generali SPA — B0028 |
| | INSURER C : Tokio Marine Kiln Insurance Limited — B0301 |
| | INSURER D : |
| | INSURER E : |
| | INSURER F : |

**COVERAGES** **CERTIFICATE NUMBER:** W33744432 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| A | [X] COMMERCIAL GENERAL LIABILITY<br>[X] CLAIMS-MADE [ ] OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br>[X] POLICY [ ] PRO-JECT [ ] LOC<br>[ ] OTHER: | Y | Y | B 1698 28430P24 | 06/01/2024 | 06/01/2025 | EACH OCCURRENCE<br>DAMAGE TO RENTED PREMISES (Ea occurrence)<br>MED EXP (Any one person)<br>PERSONAL & ADV INJURY<br>GENERAL AGGREGATE<br>PRODUCTS - COMP/OP AGG | $ 10,000,000<br>$ 1,000,000<br>$ 50,000<br>$ 10,000,000<br>$ 10,000,000<br>$ 2,000,000 |
| | AUTOMOBILE LIABILITY<br>[ ] ANY AUTO<br>[ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS<br>[ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY | | | | | | COMBINED SINGLE LIMIT (Ea accident)<br>BODILY INJURY (Per person)<br>BODILY INJURY (Per accident)<br>PROPERTY DAMAGE (Per accident) | $<br>$<br>$<br>$ |
| B | [ ] UMBRELLA LIAB [ ] OCCUR<br>[X] EXCESS LIAB [X] CLAIMS-MADE<br>DED RETENTION $ | | | B 1698 28431P24 | 06/01/2024 | 06/01/2025 | EACH OCCURRENCE<br>AGGREGATE | $ 10,000,000<br>$ 10,000,000 |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N [ ]<br>(Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below | N/A | | | | | PER STATUTE [ ] OTH-ER<br>E.L. EACH ACCIDENT<br>E.L. DISEASE - EA EMPLOYEE<br>E.L. DISEASE - POLICY LIMIT | $<br>$<br>$ |
| A | Professional Liab. | | | B 1698 28430P24 | 06/01/2024 | 06/01/2025 | Per Occ/Agg | $5,000,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Worldwide General Liability Insurance. Covering the Certificate Holder noted as an Additional Insured if so required by contract but only for liability arising out of work performed by the Insured and only to the extent that the Insured would be entitled to the protection of the Policy if a claim were made against the Insured. In respect of Professional Services Liability, this additional benefit shall only apply to the extent that this is agreed upon in a written contract between the Insured and such other party prior to any claim.

SEE ATTACHED

**CERTIFICATE HOLDER**

EVIDENCE OF INSURANCE.

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



ACORD 25 (2016/03) The ACORD name and logo are registered marks of ACORD

SR ID: 25931343 BATCH: 3483363

AGENCY CUSTOMER ID: _____

LOC #: _____

# ADDITIONAL REMARKS SCHEDULE



| | |
|---|---|
| AGENCY<br>Willis Limited | NAMED INSURED<br>Stiftelsen Det Norske Veritas<br>(see attached for additional Named Insureds)<br>1400 Ravello Drive<br>Katy, TX 77449 |
| POLICY NUMBER<br>See Page 1 | |
| CARRIER<br>See Page 1 / NAIC CODE<br>See Page 1 | EFFECTIVE DATE: See Page 1 |

**ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Blanket Additional Insured - Clients and Lessors with Blanket Waiver of Subrogation as required by written contract.
Blanket Additional Insured - Primary and non-contributing coverage as required by written contract
Blanket Additional Insured - Severability as required by written contract
Blanket Additional Insured - Cross liability as required by written contract

General Liability Participating Carriers: Lloyd's Syndicates 386/1886 and 1200

Excess Liability Carrier Participation: Assicurazioni Generali S.p.A.; Lloyd's Syndicate 1200 WSM; Allianz Global Corporate and Specialty SE

Professional Liability Participating Carriers: Lloyd's Syndicates 386/1886 and 1200

INSURER AFFORDING COVERAGE: Tokio Marine Kiln Insurance Limited NAIC#: B0301
POLICY NUMBER: B169844609P24 EFF DATE: 06/01/2024 EXP DATE: 06/01/2025

| TYPE OF INSURANCE: | LIMIT DESCRIPTION: | LIMIT AMOUNT: |
|---|---|---|
| Cyber Security Liability | Limit: | 10,000,000 |

ADDITIONAL REMARKS:
Insurer Affording Coverage for Cyber Security Liability shown above: Tokio Marine Kiln Insurance Limited. The limits for above policy B169844609P24 are shown in Krone (NOK).

ACORD 101 (2008/01)



SR ID: 25931343 BATCH: 3483363 CERT: W33744432

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 05/31/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| | |
|---|---|
| PRODUCER<br>Willis Towers Watson Insurance Services West, Inc.<br>c/o 26 Century Blvd<br>P.O. Box 305191<br>Nashville, TN 372305191 USA | CONTACT NAME: WTW Certificate Center<br>PHONE (A/C, No, Ext): 1-877-945-7378 FAX (A/C, No): 1-888-467-2378<br>E-MAIL ADDRESS: certificates@wtwco.com |
| INSURED<br>Stiftelsen Det Norske Veritas<br>(see attached for additional Named Insureds)<br>1400 Ravello Drive<br>Katy, TX 77449 | INSURER(S) AFFORDING COVERAGE — NAIC #<br>INSURER A: Liberty Mutual Fire Insurance Company — 23035<br>INSURER B: Federal Insurance Company — 20281<br>INSURER C: Employers Insurance Company of Wausau — 21458<br>INSURER D:<br>INSURER E:<br>INSURER F: |

**COVERAGES** **CERTIFICATE NUMBER:** W33744418 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| | COMMERCIAL GENERAL LIABILITY | | | | | | EACH OCCURRENCE | $ |
| | [ ] CLAIMS-MADE [ ] OCCUR | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ |
| | | | | | | | MED EXP (Any one person) | $ |
| | | | | | | | PERSONAL & ADV INJURY | $ |
| | GEN'L AGGREGATE LIMIT APPLIES PER: | | | | | | GENERAL AGGREGATE | $ |
| | [ ] POLICY [ ] PRO-JECT [ ] LOC | | | | | | PRODUCTS - COMP/OP AGG | $ |
| | [ ] OTHER: | | | | | | | $ |
| A | AUTOMOBILE LIABILITY | | | | | | COMBINED SINGLE LIMIT (Ea accident) | $ 5,000,000 |
| | [X] ANY AUTO | | | | | | BODILY INJURY (Per person) | $ |
| | [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS | Y | Y | AS2-641-444985-024 | 06/01/2024 | 06/01/2025 | BODILY INJURY (Per accident) | $ |
| | [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY | | | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | | | | | | | $ |
| B | [X] UMBRELLA LIAB [X] OCCUR | | | | | | EACH OCCURRENCE | $ 5,000,000 |
| | [ ] EXCESS LIAB [ ] CLAIMS-MADE | Y | Y | 7818-99-91 | 06/01/2024 | 06/01/2025 | AGGREGATE | $ 5,000,000 |
| | DED [X] RETENTION $ 10,000 | | | | | | | $ |
| C | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N | | | | | | [X] PER STATUTE [ ] OTH-ER | |
| | ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Yes | N/A | Y | WCC-641-444985-034 | 06/01/2024 | 06/01/2025 | E.L. EACH ACCIDENT | $ 5,000,000 |
| | If yes, describe under DESCRIPTION OF OPERATIONS below | | | | | | E.L. DISEASE - EA EMPLOYEE | $ 5,000,000 |
| | | | | | | | E.L. DISEASE - POLICY LIMIT | $ 5,000,000 |
| | | | | | | | | |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Auto Liability:

Designated Insured where required by written agreement - CA 20 48 (10/13)
Blanket Waiver of Subrogation as required by written contract or agreement - CA 04 44 (10/13)
Pollution Liability Broadened Coverage - CA 99 48 (10/13)
Primary and Non Contributory as required by written contract or agreement - AC 84 23 (08/11)

**CERTIFICATE HOLDER**

Evidence of Coverage

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



ACORD 25 (2016/03) The ACORD name and logo are registered marks of ACORD

SR ID: 25931343 BATCH: 3483363

AGENCY CUSTOMER ID: _____

LOC #: _____

# ADDITIONAL REMARKS SCHEDULE



| | |
|---|---|
| AGENCY<br>Willis Towers Watson Insurance Services West, Inc. | NAMED INSURED<br>Stiftelsen Det Norske Veritas<br>(see attached for additional Named Insureds)<br>1400 Ravello Drive<br>Katy, TX 77449 |
| POLICY NUMBER<br>See Page 1 | |
| CARRIER<br>See Page 1 / NAIC CODE<br>See Page 1 | EFFECTIVE DATE: See Page 1 |

**ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Umbrella Liability Coverage:
The Auto Liability and Workers' Compensation (Employers Liability) policies are included on the underlying schedule on the Umbrella policy.

Workers Compensation Coverage:

Coverage for the states of OH, ND, WA & WY are provided by separate State Fund policies.
Policy includes Stop Gap liability coverage.
Blanket Waiver of Subrogation applies as required by contract or written agreement - WC 00 03 13 (04/84)
Longshore and Harbor Worker' Compensation Act Coverage - WC 00 01 06 A
Outer Continental Shelf Lands Act Coverage - WC 00 01 09 C (01/15)
Maritime Coverage included - WC 00 02 01 B
Alternate Employer - WC 00 03 01 A (02/89)



SR ID: 25931343 BATCH: 3483363 CERT: W33744418

# Appendix B. Financial Qualifications

Key financial figures from the past five years are summarized below. On the following pages, DNV has shared financial statements from 2021-2023. For more information, please go to [www.dnv.com/annualreport/](www.dnv.com/annualreport/).

## KEY FINANCIAL FIGURES

| AMOUNTS IN NOK MILLION | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| **INCOME STATEMENT** | | | | | |
| Operating revenue | 31 594 | 25 031 | 21 464 | 20 911 | 21 551 |
| EBITDA | 5 386 | 4 159 | 3 673 | 3 481 | 3 529 |
| Depreciation | 687 | 585 | 613 | 641 | 765 |
| EBITA | 4 699 | 3 574 | 3 061 | 2 840 | 2 764 |
| Amortization | 442 | 404 | 387 | 420 | 420 |
| Impairment of other intangible assets | 2 | 0 | 28 | 15 | 9 |
| EBIT / Operating profit | 4 256 | 3 170 | 2 646 | 2 406 | 2 334 |
| Net financial income (expenses) | (61) | (199) | 512 | (233) | (349) |
| Profit before taxes | 4 195 | 2 971 | 3 158 | 2 173 | 1 985 |
| Profit for the year | 2 953 | 1 999 | 2 420 | 1 502 | 1 375 |
| | | | | | |
| **BALANCE SHEET** | | | | | |
| Non-current assets | 24 876 | 20 636 | 19 528 | 18 313 | 18 350 |
| Current assets | 17 846 | 15 904[1] | 14 405 | 12 444 | 11 821 |
| Total assets | 42 722 | 36 540[1] | 33 932 | 30 758 | 30 171 |
| | | | | | |
| Equity | 24 655 | 21 116 | 17 861 | 15 165 | 15 419 |
| Non-current liabilities | 5 358 | 7 564 | 8 080 | 6 409 | 7 167 |
| Current liabilities | 12 709 | 7 859[1] | 7 992 | 9 184 | 7 585 |

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| **CASH FLOW ITEMS** | | | | | |
| Net cash flow from operations | 3 926 | 2 514 | 2 761 | 4 081 | 2 679 |
| Net cash flow from investments | (2 935) | (1 473) | (460) | (305) | 733 |
| Net cash flow from financing activities | (572) | (653) | (797) | (2 235) | (2 234) |
| Net cash flow | 419 | 389 | 1 504 | 1 541 | 1 178 |
| Liquidity | 7 744 | 7 324 | 6 936 | 5 365 | 3 809 |
| | | | | | |
| **FINANCIAL RATIOS** | | | | | |
| **PROFITABILITY** | | | | | |
| EBITDA margin | 17.0% | 16.6% | 17.1% | 16.6% | 16.4% |
| EBITA margin | 14.9% | 14.3% | 14.3% | 13.6% | 12.8% |
| EBIT / Operating margin | 13.5% | 12.7% | 12.3% | 11.5% | 10.8% |
| Pre-tax profit margin | 13.3% | 11.9% | 14.7% | 10.4% | 9.2% |
| Net profit margin | 9.3% | 8.0% | 11.3% | 7.2% | 6.4% |
| | | | | | |
| **LEVERAGE** | | | | | |
| NIBD | (4 617) | (4 268) | (3 880) | (5 259) | (3 601) |
| NIBD / EBITDA | (0.86) | (1.03) | (1.06) | (1.51) | (1.02) |
| Equity ratio | 57.7% | 57.8%[1] | 52.6% | 49.3% | 51.1% |
| | | | | | |
| **NUMBER OF EMPLOYEES[2]** | 14 841 | 12 848 | 11 903 | 11 632 | 11 854 |

**DEFINITION OF RATIOS**

Profitability

**EBITDA:** Earnings before financial items, tax, depreciation, amortization and impairment

**EBITDA margin:** EBITDA x 100 / Operating revenue

**EBITA:** Earnings before financial items, tax, amortization and impairment

**EBITA margin:** EBITA x 100 / Operating revenue

**Operating margin:** Operating profit x 100 / Operating revenue

**Pre-tax profit margin:** Profit before tax x 100 / Operating revenue

**Net profit margin:** Profit (loss) for the year x 100 / Operating revenue

Cash flow

**Net cash flow:** Net change in liquidity from cash flow statement

**Liquidity:** Cash and bank deposits

Leverage

**NIBD:** Interest-bearing debt – Cash and bank deposits

**Equity ratio:** Equity x 100 / Total assets

1 Certain figures in current assets and current liabilities have been restated to properly reflect comparable figures to the current year.

2 The number of employees reported from 2019 to 2022 has been restated to reflect 149 (2022), 105 (2021), 15 (2020) and 22 (2019) employees in acquired companies or companies in which DNV has partial ownership, including DNV Imatis (2021-2022), Applied Risk (2021-2022), MEI Healthcare Technologies (2022) and Dufrain (2019-2022).


FINANCIAL
STATEMENTS
2023
Income statement
Statement of comprehensive income
Statement of financial position
Statement of cash flow
Statement of changes in equity
Notes to the financial statements
ANNUAL REPORT 2023 125

# Income statement

| DNV GROUP AS 2023 | DNV GROUP AS 2022 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2023 | DNV GROUP AS CONSOLIDATED 2022 |
|---|---|---|---|---|---|
| 40.2 | 37.2 | **OPERATING REVENUE** | 2 | 31 594.1 | 25 031.3 |
| | | | | | |
| | | **OPERATING EXPENSES** | | | |
| 0.0 | 0.0 | Payroll expenses | 3, 4 | 17 108.9 | 13 568.2 |
| 48.3 | 41.1 | Other operating expenses | 5 | 9 099.2 | 7 304.3 |
| | | | | | |
| (8.1) | (3.8) | EBITDA | | 5 386.0 | 4 158.8 |
| 0.0 | 0.0 | Depreciation and amortization | 9, 11 | 1 128.4 | 989.3 |
| 0.0 | 0.0 | Impairment | 9 | 2.0 | 0.0 |
| | | | | | |
| (8.1) | (3.8) | Operating profit | | 4 255.6 | 3 169.5 |

| DNV GROUP AS 2023 | DNV GROUP AS 2022 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2023 | DNV GROUP AS CONSOLIDATED 2022 |
|---|---|---|---|---|---|
| | | **FINANCIAL INCOME AND EXPENSES** | | | |
| 1 603.5 | 2 031.7 | Financial income | 6 | 285.5 | 110.3 |
| (312.8) | (351.9) | Financial expenses | 6 | (346.4) | (309.4) |
| | | | | | |
| 1 290.7 | 1 679.8 | Net financial income (expenses) | | (60.9) | (199.1) |
| | | | | | |
| 1 282.6 | 1 676.0 | Profit before tax | | 4 194.8 | 2 970.4 |
| | | | | | |
| (62.6) | (12.3) | Tax expense | 7 | (1 242.1) | (971.3) |
| | | | | | |
| 1 220.0 | 1 663.6 | Profit for the year | | 2 952.6 | 1 999.1 |
| | | | | | |
| | | Profit for the period attributable to: | | | |
| | | Non-controlling interest | | 20.6 | 17.4 |
| | | Equity holders of the parent | | 2 932.0 | 1 981.7 |
| | | | | | |
| | | Total | | 2 952.6 | 1 999.1 |

# Statement of comprehensive income

| DNV GROUP AS 2023 | DNV GROUP AS 2022 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2023 | DNV GROUP AS CONSOLIDATED 2022 |
|---|---|---|---|---|---|
| 1 220.0 | 1 663.6 | **Profit for the year** | | 2 952.6 | 1 999.1 |
| | | *Other comprehensive income not to be reclassified to profit or loss in subsequent periods:* | | | |
| | | Actuarial gains/(losses) on defined benefit pension plans | 14 | 96.9 | 350.0 |
| | | *Other comprehensive income to be reclassified to profit or loss in subsequent periods:* | | | |
| | | Translation differences on net investments in foreign operations | | 801.9 | 913.4 |
| 0.0 | 5.6 | Change in fair value of interest rate swap | | 0.0 | 5.6 |
| 0.0 | 5.6 | **Other comprehensive income for the period, net of tax** | | 898.8 | 1 269.0 |
| | | | | | |
| 1 220.0 | 1 669.3 | **Total comprehensive income for the period** | | 3 851.4 | 3 268.1 |

| DNV GROUP AS 2023 | DNV GROUP AS 2022 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2023 | DNV GROUP AS CONSOLIDATED 2022 |
|---|---|---|---|---|---|
| | | **Total comprehensive income attributable to:** | | | |
| | | Non-controlling interest | | 20.6 | 17.4 |
| | | Equity holders of the parent | | 3 830.8 | 3 250.7 |
| | | | | | |
| | | Total | | 3 851.4 | 3 268.1 |

# Statement of financial position Assets

| DNV GROUP AS 2023 | DNV GROUP AS 2022 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2023 | DNV GROUP AS CONSOLIDATED 2022 |
|---|---|---|---|---|---|
| | | **NON-CURRENT ASSETS** | | | |
| | | **INTANGIBLE ASSETS** | | | |
| 0.0 | 0.0 | Deferred tax assets | 7 | 1 046.3 | 881.6 |
| 0.0 | 0.0 | Goodwill | 9, 10 | 13 277.5 | 10 611.1 |
| 0.0 | 0.0 | Other intangible assets | 9, 10 | 2 911.3 | 2 440.3 |
| 0.0 | 0.0 | **Total intangible assets** | | 17 235.1 | 13 932.9 |
| | | **TANGIBLE FIXED ASSETS** | | | |
| 0.0 | 0.0 | Land, buildings and other property | 11 | 1 691.3 | 1 656.1 |
| 0.0 | 0.0 | Office equipment, fixtures and fittings | 11 | 626.4 | 463.6 |
| 0.0 | 0.0 | Right-of-use assets | 11 | 1 578.1 | 1 536.0 |
| 0.0 | 0.0 | **Total tangible fixed assets** | | 3 895.8 | 3 655.7 |
| | | **NON-CURRENT FINANCIAL ASSETS** | | | |
| 16 498.5 | 11 848.5 | Investments in subsidiaries | 12 | 0.0 | 0.0 |
| 8.1 | 4.7 | Long-term shareholding | 13 | 261.5 | 172.1 |
| 411.0 | 411.0 | Other investments | 14 | 0.0 | 0.0 |
| 0.0 | 0.0 | Net pension asset | 14 | 3 044.1 | 2 477.2 |
| 1 667.6 | 2 629.4 | Loan to subsidiaries | 15 | 0.0 | 0.0 |
| 8.2 | 12.3 | Other non-current receivables | 16 | 439.8 | 397.6 |
| 18 593.4 | 14 905.9 | **Total non-current financial assets** | | 3 745.5 | 3 046.9 |
| 18 593.4 | 14 905.9 | **Total non-current assets** | | 24 876.3 | 20 635.5 |

| DNV GROUP AS 2023 | DNV GROUP AS 2022 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2023 | DNV GROUP AS CONSOLIDATED 2022 |
|---|---|---|---|---|---|
| | | **CURRENT ASSETS** | | | |
| 0.0 | 0.0 | Trade receivables | 17 | 5 025.7 | 4 170.1 |
| 0.0 | 0.0 | Contract assets | 17 | 3 741.7 | 3 405.3 |
| 352.2 | 400.8 | Other receivables group companies | 15 | 4.1 | 4.2 |
| 392.3 | 68.7 | Other receivables and prepayments | 18 | 1 330.5 | 1 000.0 |
| 5 714.7 | 5 446.6 | Cash and bank deposits | 19 | 7 743.9 | 7 324.5 |
| 6 459.1 | 5 916.1 | **Total current assets** | | 17 845.9 | 15 904.1 |
| 25 052.5 | 20 822.0 | **TOTAL ASSETS** | | 42 722.2 | 36 539.6 |

# Statement of financial position Equity and liabilities

| DNV GROUP AS 2023 | DNV GROUP AS 2022 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2023 | DNV GROUP AS CONSOLIDATED 2022 |
|---|---|---|---|---|---|
| | | **EQUITY** | | | |
| | | **PAID-IN CAPITAL** | | | |
| 100.0 | 100.0 | Share capital | 20 | 100.0 | 100.0 |
| 9 158.3 | 9 158.3 | Share premium | | 9 158.3 | 9 158.3 |
| 9 258.3 | 9 258.3 | **Total paid-in capital** | | 9 258.3 | 9 258.3 |
| | | **RETAINED EARNINGS** | | | |
| 4 223.7 | 3 303.6 | Other equity | | 15 319.6 | 11 792.2 |
| 0.0 | 0.0 | Non-controlling interest | | 77.3 | 65.7 |
| 13 482.0 | 12 561.9 | **Total equity** | | 24 655.3 | 21 116.2 |
| | | **LIABILITIES** | | | |
| | | **NON-CURRENT LIABILITIES** | | | |
| 0.0 | 2 998.0 | Interest bearing loans and borrowings | 21 | 66.9 | 2 998.0 |
| 0.0 | 0.0 | Pension liabilities | 14 | 2 572.5 | 2 195.3 |
| 79.6 | 18.7 | Deferred tax liabilities | 7 | 742.5 | 506.1 |
| 1 985.0 | 1 473.1 | Loan from group companies | 15 | 0.0 | 0.0 |
| 0.0 | 0.0 | Lease liabilities | 22 | 1 325.3 | 1 288.3 |
| 0.0 | 0.0 | Non-current provisions | 23 | 56.9 | 63.8 |
| 0.0 | 0.0 | Other non-current liabilities | 24 | 593.7 | 512.6 |
| 2 064.6 | 4 489.8 | **Total non-current liabilities** | | 5 357.9 | 7 564.0 |

| DNV GROUP AS 2023 | DNV GROUP AS 2022 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2023 | DNV GROUP AS CONSOLIDATED 2022 |
|---|---|---|---|---|---|
| | | **CURRENT LIABILITIES** | | | |
| 0.0 | 0.0 | Overdrafts | 19 | 10.6 | 13.1 |
| 2 998.0 | 0.0 | Interest bearing loans and borrowings | 21 | 2 998.0 | 0.0 |
| 0.1 | 0.8 | Trade creditors | | 742.8 | 620.0 |
| 1.7 | 0.4 | Tax payable | 7 | 704.8 | 421.6 |
| 0.0 | 0.0 | Public duties payable | | 665.9 | 499.9 |
| 6 481.2 | 3 763.8 | Current liabilities group companies | 15 | 350.9 | 45.2 |
| 0.0 | 0.0 | Lease liabilities | 22 | 405.6 | 402.8 |
| 0.0 | 0.0 | Current provisions | 23 | 67.2 | 67.8 |
| 0.0 | 0.0 | Contract liabilities | 17 | 2 693.7 | 2 470.9 |
| 24.9 | 5.2 | Other current liabilities | 25 | 4 069.6 | 3 318.0 |
| 9 505.9 | 3 770.2 | **Total current liabilities** | | 12 709.0 | 7 859.4 |
| 11 570.5 | 8 260.1 | **Total liabilities** | | 18 066.9 | 15 423.4 |
| 25 052.5 | 20 822.0 | **TOTAL EQUITY AND LIABILITIES** | | 42 722.2 | 36 539.6 |

**21 MARCH 2024**

| | | | | | |
|---|---|---|---|---|---|
| **JON FREDRIK BAKSAAS** CHAIR | **LASSE KRISTOFFERSEN** VICE-CHAIR | **ANDREAS RINGMAN UGGLA** | **NINA IVARSEN** | **JON EIVIND THRANE** | **BIRGIT AAGAARD-SVENDSEN** |
| **SILVIJA SERES** | **INGVILD SÆTHER** | **CHRISTIAN VENDERBY** | **ADAM NIKLEWSKI** | **JIANXIN CHEN** | **REMI ERIKSEN** GROUP PRESIDENT & CEO |

# Statement of cash flow

| DNV GROUP AS 2023 | DNV GROUP AS 2022 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2023 | DNV GROUP AS CONSOLIDATED 2022 |
|---|---|---|---|---|---|
| | | **CASH FLOW FROM OPERATIONS** | | | |
| 1 282.6 | 1 676.0 | Profit before tax | | 4 194.8 | 2 970.4 |
| 0.0 | 0.0 | Loss (gain) on disposal of tangible fixed assets | 11 | (0.2) | 9.5 |
| 0.0 | 0.0 | Loss (gain) on sale of long-term shareholdings | 13 | 34.8 | (1.0) |
| (274.3) | (285.0) | Group contributions recorded as financial income | | 0.0 | 0.0 |
| 0.0 | 0.0 | Depreciation, amortization, and impairment | 9, 11 | 1 130.4 | 989.3 |
| (0.4) | (18.8) | Income tax paid | 7 | (1 206.4) | (729.5) |
| 0.0 | 0.0 | Change in contract assets, contract libilities, | | (595.0) | (805.8) |
| | | trade receivables and trade creditors | | | |
| (135.3) | (57.2) | Change in accruals, provisions and other | | 367.9 | 81.1 |
| 872.6 | 1 315.0 | **Net cash flow from operations** | | 3 926.2 | 2 514.1 |
| | | | | | |
| | | **CASH FLOW FROM INVESTMENTS** | | | |
| 0.0 | 0.0 | Acquisitions of subsidiaries | 8 | (2 057.0) | (912.6) |
| (4 650.0) | 0.0 | Capital injections in subsidiaries | | 0.0 | 0.0 |
| 0.0 | 0.0 | Investments in tangible fixed assets | 11 | (381.8) | (226.5) |
| 0.0 | 0.0 | Investments in intangible assets | 9 | (379.2) | (283.3) |
| 0.0 | 0.0 | Sale of tangible fixed assets (cash received) | | 11.8 | 14.3 |
| (3.4) | (3.9) | Change in other investments | | (128.6) | (64.7) |
| (4 653.4) | (3.9) | **Net cash flow from investments** | | (2 934.7) | (1 472.8) |

| DNV GROUP AS 2023 | DNV GROUP AS 2022 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2023 | DNV GROUP AS CONSOLIDATED 2022 |
|---|---|---|---|---|---|
| | | **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| 1 369.8 | 552.5 | Change in loan from subsidiaries | | 0.0 | 0.0 |
| 0.0 | 0.0 | Net payments of external loans | | (118.9) | 0.0 |
| 0.0 | 0.0 | Change in overdraft | | (2.6) | (2.3) |
| | | Change in net position towards participants | | 5.7 | 2.5 |
| 2 394.0 | (1 478.8) | in the cash pool system | | | |
| 0.0 | 0.0 | Payment of lease liabilities | 22 | (456.3) | (407.3) |
| 285.0 | (111.5) | Group contribution (paid) /received | | 0.0 | (245.5) |
| 4 048.8 | (1 037.8) | **Net cash flow from financing activities** | | (572.1) | (652.6) |
| | | | | | |
| 268.1 | 273.3 | **Net change in cash and cash equivalents** | | 419.4 | 388.6 |
| 5 446.6 | 5 173.3 | Cash and cash equivalents as of 1 January | | 7 324.5 | 6 935.9 |
| 5 714.7 | 5 446.6 | **Cash and cash equivalents as of 31 December** | 19 | 7 743.9 | 7 324.5 |

# Statement of changes in equity

CHANGES IN EQUITY IN
**DNV GROUP AS**

| AMOUNTS IN NOK MILLION | SHARE CAPITAL | SHARE PREMIUM | OTHER EQUITY | TOTAL |
|---|---|---|---|---|
| **Equity at 1 January 2022** | 100.0 | 9 158.3 | 1 634.4 | 10 892.7 |
| Profit for the period | | | 1 663.6 | 1 663.6 |
| Change in fair value of interest rate swap | | | 5.6 | 5.6 |
| **Equity at 31 December 2022** | 100.0 | 9 158.3 | 3 303.7 | 12 561.9 |
| Profit for the period | | | 1 220.0 | 1 220.0 |
| Dividend accrued | | | (300.0) | (300.0) |
| **Equity at 31 December 2023** | 100.0 | 9 158.3 | 4 223.7 | 13 482.0 |

CHANGES IN EQUITY IN
**DNV GROUP AS**
CONSOLIDATED

| AMOUNTS IN NOK MILLION | SHARE CAPITAL | SHARE PREMIUM | OTHER EQUITY | CURRENCY TRANSLATION DIFFERENCES | ACTUARIAL GAINS/ (LOSSES) | NON-CON-TROLLING INTEREST | TOTAL |
|---|---|---|---|---|---|---|---|
| **Equity at 1 January 2022** | 100.0 | 9 158.3 | 3 441.8 | 4 065.9 | 1 035.6 | 59.2 | 17 860.8 |
| Profit for the period | | | 1 981.7 | | | 17.4 | 1 999.1 |
| Exchange differences | | | | 907.2 | | 6.2 | 913.4 |
| Actuarial gains/(losses) on defined benefit pension plans | | | | | 350.0 | | 350.0 |
| Acquired Non-controlling interest (Note 8) | | | 4.2 | | | (41.4) | (37.2) |
| Non-controlling interest from acquisition (Note 8) | | | | | | 31.3 | 31.3 |
| Change in fair value of interest rate swap | | | 5.6 | | | | 5.6 |
| Dividend paid to non-controlling interest | | | | | | (6.7) | (6.7) |
| **Equity at 31 December 2022** | 100.0 | 9 158.3 | 5 433.3 | 4 973.1 | 1 385.6 | 65.8 | 21 116.2 |
| Profit for the period | | | 2 932.0 | | | 20.6 | 2 952.6 |
| Exchange differences | | | | 798.5 | | 3.4 | 801.9 |
| Actuarial gains/(losses) on defined benefit pension plans | | | | | 96.9 | | 96.9 |
| Dividend accrued | | | (300.0) | | | | (300.0) |
| Dividend paid to non-controlling interest | | | | | | (12.4) | (12.4) |
| **Equity at 31 December 2023** | 100.0 | 9 158.3 | 8 065.4 | 5 771.6 | 1 482.6 | 77.3 | 24 655.3 |


FINANCIAL
STATEMENTS
2022
Income statement
Statement of comprehensive income
Statement of financial position
Statement of cash flow
Statement of changes in equity
Notes to the financial statements
ANNUAL REPORT 2022 125

# Income statement

| DNV GROUP AS 2022 | DNV GROUP AS 2021 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2022 | DNV GROUP AS CONSOLIDATED 2021 |
|---|---|---|---|---|---|
| 37.2 | 34.2 | **OPERATING REVENUE** | 2 | 25 031.3 | 21 463.9 |
| | | | | | |
| | | **OPERATING EXPENSES** | | | |
| 0.0 | 0.0 | Payroll expenses | 3, 4 | 13 568.2 | 12 100.4 |
| 41.1 | 35.9 | Other operating expenses | 5 | 7 304.3 | 5 690.1 |
| | | | | | |
| (3.8) | (1.8) | EBITDA | | 4 158.8 | 3 673.5 |
| 0.0 | 0.0 | Depreciation and amortization | 8, 10 | 989.3 | 999.9 |
| 0.0 | 0.0 | Impairment | 8 | 0.0 | 27.7 |
| | | | | | |
| (3.8) | (1.8) | **Operating profit** | | 3 169.5 | 2 645.8 |

| DNV GROUP AS 2022 | DNV GROUP AS 2021 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2022 | DNV GROUP AS CONSOLIDATED 2021 |
|---|---|---|---|---|---|
| | | **FINANCIAL INCOME AND EXPENSES** | | | |
| 0.0 | 0.0 | Gain / (Loss) from associates | 12 | 0.0 | 599.4 |
| 2 031.7 | 1 696.1 | Other financial income | 6 | 110.3 | 47.6 |
| (351.9) | (19.9) | Financial expenses | 6 | (309.4) | (135.2) |
| | | | | | |
| 1 679.8 | 1 676.2 | Net financial income (expenses) | | (199.1) | 511.7 |
| | | | | | |
| 1 676.0 | 1 674.4 | **Profit before taxes** | | 2 970.4 | 3 157.6 |
| | | | | | |
| (12.3) | (12.3) | Tax expense | 7 | (971.3) | (737.5) |
| | | | | | |
| 1 663.6 | 1 662.1 | **Profit for the year** | | 1 999.1 | 2 420.1 |
| | | | | | |
| | | **Profit for the period attributable to:** | | | |
| | | Non-controlling interest | | 17.4 | 17.7 |
| | | Equity holders of the parent | | 1 981.7 | 2 402.4 |
| | | | | | |
| | | **Total** | | 1 999.1 | 2 420.1 |

# Statement of comprehensive income

| DNV GROUP AS 2022 | DNV GROUP AS 2021 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2022 | DNV GROUP AS CONSOLIDATED 2021 |
|---|---|---|---|---|---|
| 1 663.6 | 1 662.1 | **Profit for the year** | | 1 999.1 | 2 420.1 |
| | | *Other comprehensive income not to be reclassi-* | | | |
| | | *fied to profit or loss in subsequent periods* | | | |
| | | Actuarial gains/(losses) on defined benefit | 15 | 350.0 | 902.1 |
| | | pension plans | | | |
| | | *Other comprehensive income to be reclassified* | | | |
| | | *to profit or loss in subsequent periods:* | | | |
| | | Translation differences on net investments in | | | |
| | | foreign operations | | 913.4 | (463.9) |
| 5.6 | 24.1 | Change in fair value of interest rate swap | | 5.6 | 24.1 |
| 5.6 | 24.1 | **Other comprehensive income for the period,** | | 1 269.0 | 462.3 |
| | | **net of tax** | | | |
| | | | | | |
| 1 669.3 | 1 686.2 | **Total comprehensive income for the period** | | 3 268.1 | 2 882.3 |

| DNV GROUP AS 2022 | DNV GROUP AS 2021 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2022 | DNV GROUP AS CONSOLIDATED 2021 |
|---|---|---|---|---|---|
| | | **Total comprehensive income attributable to:** | | | |
| | | Non-controlling interest | | 17.4 | 17.7 |
| | | Equity holders of the parent | | 3 250.7 | 2 864.6 |
| | | | | | |
| | | **Total** | | 3 268.1 | 2 882.3 |

# Statement of financial position Assets

| DNV GROUP AS 2022 | DNV GROUP AS 2021 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2022 | DNV GROUP AS CONSOLIDATED 2021 |
|---|---|---|---|---|---|
| | | **NON-CURRENT ASSETS** | | | |
| | | **INTANGIBLE ASSETS** | | | |
| 0.0 | 0.0 | Deferred tax assets | 7 | 881.6 | 1 010.5 |
| 0.0 | 0.0 | Goodwill | 8, 9 | 10 611.1 | 9 474.4 |
| 0.0 | 0.0 | Other intangible assets | 8, 9 | 2 440.3 | 2 358.4 |
| 0.0 | 0.0 | **Total intangible assets** | | 13 932.9 | 12 843.2 |
| | | **TANGIBLE FIXED ASSETS** | | | |
| 0.0 | 0.0 | Land, buildings and other property | 10 | 1 656.1 | 1 667.7 |
| 0.0 | 0.0 | Office equipment, fixtures and fittings | 10 | 463.6 | 404.1 |
| 0.0 | 0.0 | Right-of-use assets | 10 | 1 536.0 | 1 603.3 |
| 0.0 | 0.0 | **Total tangible fixed assets** | | 3 655.7 | 3 675.1 |
| | | **NON-CURRENT FINANCIAL ASSETS** | | | |
| 11 848.5 | 11 848.5 | Investments in subsidiaries | 11 | 0.0 | 0.0 |
| 4.7 | 0.8 | Long-term shareholding | 13 | 172.1 | 106.5 |
| 411.0 | 411.0 | Other investments | 15 | 0.0 | 0.0 |
| 0.0 | 0.0 | Net pension asset | 15 | 2 477.2 | 2 593.9 |
| 2 629.4 | 2 362.5 | Loan to subsidiaries | 16 | 0.0 | 0.0 |
| 12.3 | 16.5 | Other non-current receivables | 17 | 397.6 | 406.4 |
| 14 905.9 | 14 639.2 | **Total non-current financial assets** | | 3 046.9 | 3 106.7 |
| 14 905.9 | 14 639.2 | **Total non-current assets** | | 20 635.5 | 19 625.1 |

| DNV GROUP AS 2022 | DNV GROUP AS 2021 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2022 | DNV GROUP AS CONSOLIDATED 2021 |
|---|---|---|---|---|---|
| | | **CURRENT ASSETS** | | | |
| 0.0 | 0.0 | Trade receivables | 18 | 4 869.7 | 4 058.4 |
| 0.0 | 0.0 | Contract assets | 18 | 3 405.3 | 2 546.0 |
| 400.8 | 63.0 | Other receivables group companies | 16 | 4.2 | 3.0 |
| 68.7 | 20.7 | Other receivables and prepayments | 19 | 1 000.0 | 861.6 |
| 5 446.6 | 5 173.3 | Cash and bank deposits | 20 | 7 324.5 | 6 935.9 |
| 5 916.1 | 5 256.9 | **Total current assets** | | 16 603.7 | 14 404.9 |
| 20 822.0 | 19 896.2 | **TOTAL ASSETS** | | 37 239.2 | 34 030.0 |

# Statement of financial position Equity and liabilities

| DNV GROUP AS 2022 | DNV GROUP AS 2021 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2022 | DNV GROUP AS CONSOLIDATED 2021 |
|---|---|---|---|---|---|
| | | **EQUITY** | | | |
| | | **PAID-IN CAPITAL** | | | |
| 100.0 | 100.0 | Share capital | 21 | 100.0 | 100.0 |
| 9 158.3 | 9 158.3 | Share premium | | 9 158.3 | 9 158.3 |
| 9 258.3 | 9 258.3 | **Total paid-in capital** | | 9 258.3 | 9 258.3 |
| | | **RETAINED EARNINGS** | | | |
| 3 303.6 | 1 634.4 | Other equity | | 11 792.2 | 8 543.3 |
| 0.0 | 0.0 | Non-controlling interest | | 65.7 | 59.2 |
| 12 561.9 | 10 892.7 | **Total equity** | | 21 116.2 | 17 860.8 |
| | | **LIABILITIES** | | | |
| | | **NON-CURRENT LIABILITIES** | | | |
| 2 998.0 | 2 998.0 | Interest bearing loans and borrowings | 22 | 2 998.0 | 2 998.0 |
| 0.0 | 0.0 | Pension liabilities | 15 | 2 195.3 | 2 727.7 |
| 18.7 | 5.2 | Deferred tax liabilities | 7 | 506.1 | 518.8 |
| 1 473.1 | 679.9 | Loan from group companies | 16 | 0.0 | 0.0 |
| 0.0 | 0.0 | Lease liabilities | 23 | 1 288.3 | 1 410.7 |
| 0.0 | 0.0 | Non-current provisions | 24 | 63.8 | 71.1 |
| 0.0 | 0.0 | Other non-current liabilities | 25 | 512.6 | 493.9 |
| 4 489.8 | 3 683.1 | **Total non-current liabilities** | | 7 564.0 | 8 220.3 |

| DNV GROUP AS 2022 | DNV GROUP AS 2021 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2022 | DNV GROUP AS CONSOLIDATED 2021 |
|---|---|---|---|---|---|
| | | **CURRENT LIABILITIES** | | | |
| 0.0 | 0.0 | Overdrafts | 20 | 13.1 | 15.5 |
| 0.8 | 0.0 | Trade creditors | | 620.0 | 498.5 |
| 0.4 | 18.8 | Tax payable | 7 | 421.6 | 516.3 |
| 0.0 | 0.0 | Public duties payable | | 499.9 | 532.5 |
| 3 763.8 | 5 291.4 | Current liabilities group companies | 16 | 45.2 | 291.1 |
| 0.0 | 0.0 | Lease liabilities | 23 | 402.8 | 342.3 |
| 0.0 | 0.0 | Current provisions | 24 | 67.8 | 156.4 |
| 0.0 | 0.0 | Contract liabilities | 18 | 3 170.5 | 2 698.0 |
| 5.2 | 10.2 | Other current liabilities | 26 | 3 318.0 | 2 898.3 |
| 3 770.2 | 5 320.4 | **Total current liabilities** | | 8 559.0 | 7 948.9 |
| 8 260.1 | 9 003.5 | **Total liabilities** | | 16 123.0 | 16 169.2 |
| 20 822.0 | 19 896.2 | **TOTAL EQUITY AND LIABILITIES** | | 37 239.2 | 34 030.0 |

**23 MARCH 2023**

| | | | |
|---|---|---|---|
| **JON FREDRIK BAKSAAS** CHAIR | **LASSE KRISTOFFERSEN** VICE-CHAIR | **ANDREAS RINGMAN UGGLA** | **NINA IVARSEN** |
| **JON EIVIND THRANE** | **BIRGIT AAGAARD-SVENDSEN** | **THOMAS REIMER** | **INGVILD SÆTHER** |
| **CHRISTIAN VENDERBY** | **SILVIJA SERES** | **DAVID MCKAY** | **REMI ERIKSEN** GROUP PRESIDENT & CEO |

# Statement of cash flow

| DNV GROUP AS 2022 | DNV GROUP AS 2021 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2022 | DNV GROUP AS CONSOLIDATED 2021 |
|---|---|---|---|---|---|
| | | **CASH FLOW FROM OPERATIONS** | | | |
| 1 676.0 | 1 674.4 | Profit before taxes | | 2 970.4 | 3 157.6 |
| 0.0 | 0.0 | Loss on disposal of tangible fixed assets | 10 | 9.5 | 2.8 |
| 0.0 | 0.0 | Loss (gain) on divestments | 14 | 0.0 | (599.4) |
| 0.0 | 0.0 | Gain on sale of long-term shareholdings | | (1.0) | 0.0 |
| (285.0) | 0.0 | Group contributions recorded as financial income | | 0.0 | 0.0 |
| 0.0 | 0.0 | Depreciation, amortization, and impairment | 8,10 | 989.3 | 1 027.7 |
| (18.8) | (9.2) | Income tax paid | 7 | (729.5) | (636.0) |
| 0.0 | 0.0 | Change in contract assets, contract libilities, | | (805.8) | (350.7) |
| | | trade receivables and trade creditors | | | |
| (57.2) | 138.8 | Change in accruals, provisions and other | | 81.1 | 159.2 |
| 1 315.0 | 1 804.0 | **Net cash flow from operations** | | 2 514.1 | 2 761.2 |
| | | | | | |
| | | **CASH FLOW FROM INVESTMENTS** | | | |
| 0.0 | 0.0 | Acquisitions of subsidiaries | 14 | (912.6) | (824.8) |
| 0.0 | 0.0 | Divestment of associates | 12 | 0.0 | 786.2 |
| 0.0 | 0.0 | Investments in tangible fixed assets | 10 | (226.5) | (153.2) |
| 0.0 | 0.0 | Investments in intangible assets | 8 | (283.3) | (198.2) |
| 0.0 | 0.0 | Sale of tangible fixed assets (cash received) | | 14.3 | 9.1 |
| (3.9) | (0.2) | Change in other investments | | (64.7) | (11.9) |
| (3.9) | (0.2) | **Net cash flow from investments** | | (1 472.8) | (392.9) |

| DNV GROUP AS 2022 | DNV GROUP AS 2021 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2022 | DNV GROUP AS CONSOLIDATED 2021 |
|---|---|---|---|---|---|
| | | **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| 552.5 | 321.4 | Change in loan from subsidiaries | | 0.0 | 0.0 |
| 0.0 | (252.0) | Repayment of external loans | | 0.0 | (270.7) |
| 0.0 | 0.0 | Change in overdraft | | (2.3) | 2.1 |
| (1 478.8) | (727.6) | Change in net position towards participants | | 2.5 | (50.1) |
| | | in the cash pool system | | | |
| 0.0 | 0.0 | Payment of lease liabilities | 23 | (407.3) | (436.8) |
| (111.5) | 213.8 | Group contribution (paid) /received | | (245.5) | (42.1) |
| (1 037.8) | (444.4) | **Net cash flow from financing activities** | | (652.6) | (797.5) |
| | | | | | |
| 273.3 | 1 359.3 | **Net change in cash and cash equivalents** | | 388.6 | 1 570.8 |
| 5 173.3 | 3 814.0 | Cash and cash equivalents as of 1 January | | 6 935.9 | 5 365.1 |
| 5 446.6 | 5 173.3 | **Cash and cash equivalents as of 31 December** | | 7 324.5 | 6 935.9 |

# Statement of changes in equity

CHANGES IN EQUITY IN
**DNV GROUP AS**

| AMOUNTS IN NOK MILLION | SHARE CAPITAL | SHARE PREMIUM | OTHER EQUITY | TOTAL |
|---|---|---|---|---|
| **Equity at 1 January 2021** | 100.0 | 9 158.3 | 0.0 | 9 258.3 |
| Profit for the period | | | 1 662.1 | 1 662.1 |
| Group contribution payable | | | (51.9) | (51.9) |
| Change in fair value of interest rate swap | | | 24.1 | 24.1 |
| **Equity at 31 December 2021** | 100.0 | 9 158.3 | 1 634.4 | 10 892.7 |
| Profit for the period | | | 1 663.6 | 1 663.6 |
| Change in fair value of interest rate swap | | | 5.6 | 5.6 |
| **Equity at 31 December 2022** | 100.0 | 9 158.3 | 3 303.7 | 12 562.0 |

CHANGES IN EQUITY IN
**DNV GROUP AS**
CONSOLIDATED

| AMOUNTS IN NOK MILLION | SHARE CAPITAL | SHARE PREMIUM | OTHER EQUITY | CURRENCY TRANSLATION DIFFERENCES | ACTUARIAL GAINS/ (LOSSES) | NON-CONTROLLING INTEREST | TOTAL |
|---|---|---|---|---|---|---|---|
| **Equity at 1 January 2021** | 100.0 | 9 158.3 | 1 206.8 | 4 530.1 | 133.5 | 35.9 | 15 164.6 |
| Profit for the period | | | 2 402.4 | | | 17.7 | 2 420.1 |
| Group contribution payable | | | (191.5) | | | | (191.5) |
| Exchange differences | | | | (464.2) | | 0.2 | (463.9) |
| Actuarial gains/(losses) on defined benefit pension plans | | | | | 902.1 | | 902.1 |
| Change in fair value of interest rate swap | | | 24.1 | | | | 24.1 |
| Non-controlling interest from acquisition | | | | | | 10.1 | 10.1 |
| Dividend paid to non-controlling interest | | | | | | (4.7) | (4.7) |
| **Equity at 31 December 2021** | 100.0 | 9 158.3 | 3 441.8 | 4 065.9 | 1 035.6 | 59.2 | 17 860.8 |
| Profit for the period | | | 1 981.7 | | | 17.4 | 1 999.1 |
| Exchange differences | | | | 907.2 | | 6.2 | 913.4 |
| Actuarial gains/(losses) on defined benefit pension plans | | | | | 350.0 | | 350.0 |
| Acquired Non-controlling interest (Note 14) | | | 4.2 | | | (41.4) | (37.2) |
| Non-controlling interest from acquisition (Note 14) | | | | | | 31.3 | 31.3 |
| Change in fair value of interest rate swap (Note 22) | | | 5.6 | | | | 5.6 |
| Dividend paid to non-controlling interest | | | | | | (6.7) | (6.7) |
| **Equity at 31 December 2022** | 100.0 | 9 158.3 | 5 433.3 | 4 973.1 | 1 385.6 | 65.7 | 21 116.2 |


FINANCIAL
STATEMENTS
2021
Income Statement
Statement of Comprehensive Income
Statement of Financial Position
Statement of Cash Flow
Statement of Changes in Equity

# INCOME STATEMENT

| DNV GROUP AS 2021 | DNV GROUP AS 2020 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2021 | DNV GROUP AS CONSOLIDATED 2020 |
|---|---|---|---|---|---|
| | | **OPERATING REVENUE** | | | |
| 34.2 | 32.0 | Sales revenue | 2 | 21 463.9 | 20 910.9 |
| 34.2 | 32.0 | Total operating revenue | | 21 463.9 | 20 910.9 |
| | | | | | |
| | | **OPERATING EXPENSES** | | | |
| 0.0 | 0.0 | Payroll expenses | 3, 4 | 12 100.4 | 12 088.5 |
| 35.9 | 31.9 | Other operating expenses | 5 | 5 690.1 | 5 341.7 |
| | | | | | |
| (1.8) | 0.1 | **EBITDA** | | 3 673.5 | 3 480.7 |
| 0.0 | 0.0 | Depreciation and amortization | 8, 10 | 999.9 | 1 060.1 |
| 0.0 | 0.0 | Impairment | 8 | 27.7 | 15.0 |
| | | | | | |
| (1.8) | 0.1 | **Operating profit** | | 2 645.8 | 2 405.6 |
| | | | | | |
| | | **FINANCIAL INCOME AND EXPENSES** | | | |
| 0.0 | 0.0 | Gain / (Loss) from associates | 12 | 599.4 | 4.5 |
| 1 696.1 | 325.4 | Other financial income | 6 | 47.6 | 57.8 |
| (19.9) | (172.8) | Financial expenses | 6 | (135.2) | (295.2) |
| | | | | | |
| 1 676.2 | 152.6 | Net financial income (expenses) | | 511.7 | (232.9) |
| | | | | | |
| 1 674.4 | 152.7 | **Profit before taxes** | | 3 157.6 | 2 172.6 |
| | | | | | |
| (12.3) | (29.8) | Tax expense | 7 | (737.5) | (670.6) |
| | | | | | |
| 1 662.1 | 122.9 | **Profit for the year** | | 2 420.1 | 1 502.0 |
| | | | | | |
| | | **Profit for the period attributable to:** | | | |
| | | Non-controlling interest | | 17.7 | 11.8 |
| | | Equity holders of the parent | | 2 402.4 | 1 490.3 |
| | | | | | |
| | | **Total** | | 2 420.1 | 1 502.0 |



# STATEMENT OF COMPREHENSIVE INCOME

| DNV GROUP AS 2021 | DNV GROUP AS 2020 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2021 | DNV GROUP AS CONSOLIDATED 2020 |
|---|---|---|---|---|---|
| 1 662.1 | 122.9 | **Profit for the year** | | 2 420.1 | 1 502.0 |
| | | *Other comprehensive income not to be reclassified* | | | |
| | | *to profit or loss in subsequent periods:* | | | |
| | | Actuarial gains/(losses) on defined benefit pension plans | 15 | 902.1 | (363.2) |
| | | *Other comprehensive income to be reclassified* | | | |
| | | *to profit or loss in subsequent periods:* | | | |
| | | Currency translation differences / | | | |
| | | Translation differences foreign operations | | (463.9) | 604.3 |
| | | Change in fair value of interest rate swap | | 24.1 | 0.0 |
| | | | | | |
| 0.0 | 0.0 | **Other comprehensive income for the period, net of tax** | | 462.3 | 241.1 |
| | | | | | |
| 1 662.1 | 122.9 | **Total comprehensive income for the period** | | 2 882.3 | 1 743.1 |
| | | | | | |
| | | **Total comprehensive income attributable to:** | | | |
| | | Non-controlling interest | | 17.7 | 11.8 |
| | | Equity holders of the parent | | 2 864.6 | 1 731.4 |
| | | | | | |
| | | **Total** | | 2 882.3 | 1 743.1 |

# STATEMENT OF FINANCIAL POSITION

## ASSETS

| DNV GROUP AS 2021 | DNV GROUP AS 2020 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2021 | DNV GROUP AS CONSOLIDATED 2020 |
|---|---|---|---|---|---|
| | | **NON-CURRENT ASSETS** | | | |
| | | **INTANGIBLE ASSETS** | | | |
| 0.0 | 0.0 | Deferred tax assets | 7 | 1 010.5 | 1 086.7 |
| 0.0 | 0.0 | Goodwill | 8, 9 | 9 474.4 | 9 164.6 |
| 0.0 | 0.0 | Other intangible assets | 8 | 2 358.4 | 2 396.2 |
| 0.0 | 0.0 | **Total intangible assets** | | 12 843.2 | 12 647.6 |
| | | **TANGIBLE FIXED ASSETS** | | | |
| 0.0 | 0.0 | Land, buildings and other property | 10 | 1 667.7 | 1 716.5 |
| 0.0 | 0.0 | Office equipment, fixtures and fittings | 10 | 404.1 | 434.2 |
| 0.0 | 0.0 | Right-of-use assets | 10 | 1 603.3 | 1 583.7 |
| 0.0 | 0.0 | **Total tangible fixed assets** | | 3 675.1 | 3 734.5 |
| | | **NON-CURRENT FINANCIAL ASSETS** | | | |
| 11 848.5 | 11 813.4 | Investments in subsidiaries | 11 | 0.0 | 0.0 |
| 0.0 | 0.0 | Investments in associates | 12 | 0.0 | 186.8 |
| 0.8 | 0.4 | Long-term shareholding | 13 | 106.5 | 44.9 |
| 411.0 | 411.0 | Other investments | 15 | 0.0 | 0.0 |
| 0.0 | 0.0 | Net pension asset | 15 | 2 593.9 | 1 366.0 |
| 2 362.5 | 2 550.9 | Loan to subsidiaries | 16 | 0.0 | 0.0 |
| 16.5 | 0.0 | Other long-term receivables | 17 | 308.9 | 333.7 |
| 14 639.2 | 14 775.8 | **Total non-current financial assets** | | 3 009.2 | 1 931.3 |
| 14 639.2 | 14 775.8 | **Total non-current assets** | | 19 527.6 | 18 313.4 |
| | | **CURRENT ASSETS** | | | |
| 0.0 | 0.0 | Trade receivables | 18 | 4 058.4 | 3 756.6 |
| 0.0 | 0.0 | Contract assets | | 2 546.0 | 2 355.9 |
| 63.0 | 245.7 | Other receivables group companies | 16 | 3.0 | 6.3 |
| 20.7 | 159.9 | Other receivables | | 861.6 | 960.5 |
| 5 173.3 | 3 814.0 | Cash and bank deposits | 19 | 6 935.9 | 5 365.1 |
| 5 256.9 | 4 219.6 | **Total current assets** | | 14 404.9 | 12 444.4 |
| 19 896.2 | 18 995.4 | **TOTAL ASSETS** | | 33 932.5 | 30 757.8 |



# STATEMENT OF FINANCIAL POSITION

## EQUITY AND LIABILITIES

| DNV GROUP AS 2021 | DNV GROUP AS 2020 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2021 | DNV GROUP AS CONSOLIDATED 2020 |
|---|---|---|---|---|---|
| | | **EQUITY** | | | |
| | | **PAID-IN CAPITAL** | | | |
| 100.0 | 100.0 | Share capital | 20 | 100.0 | 100.0 |
| 9 158.3 | 9 158.3 | Share premium | | 9 158.3 | 9 158.3 |
| 9 258.3 | 9 258.3 | **Total paid-in capital** | | 9 258.3 | 9 258.3 |
| | | **RETAINED EARNINGS** | | | |
| 1 634.4 | 0.0 | Other equity | | 8 543.3 | 5 870.4 |
| 0.0 | 0.0 | Non-controlling interest | | 59.2 | 35.9 |
| 10 892.7 | 9 258.3 | **Total equity** | | 17 860.8 | 15 164.6 |
| | | **LIABILITIES** | | | |
| | | **NON-CURRENT LIABILITIES** | | | |
| 2 998.0 | 0.0 | Interest bearing loans and borrowings | 21 | 2 998.0 | 0.0 |
| 0.0 | 0.0 | Pension liabilities | 15 | 2 727.7 | 2 994.9 |
| 5.2 | 32.6 | Deferred tax liabilities | 7 | 518.8 | 366.1 |
| 679.9 | 1 846.9 | Loan from group companies | 16 | 0.0 | 1 300.0 |
| 0.0 | 0.0 | Lease liabilities | 22 | 1 410.7 | 1 307.1 |
| 0.0 | 0.0 | Non-current provisions | 23 | 71.1 | 101.9 |
| 0.0 | 0.0 | Other non-current liabilities | | 353.4 | 338.8 |
| 3 683.1 | 1 879.4 | **Total non-current liabilities** | | 8 079.8 | 6 408.7 |
| | | **CURRENT LIABILITIES** | | | |
| 0.0 | 0.0 | Overdrafts | 19 | 15.5 | 13.3 |
| 0.0 | 0.0 | Trade creditors | | 498.5 | 490.0 |
| 18.8 | 0.0 | Tax payable | 7 | 516.3 | 386.9 |
| 0.0 | 0.0 | Public duties payable | | 532.5 | 593.1 |
| 5 291.4 | 7 857.1 | Current liabilities group companies | 16 | 291.1 | 2 085.5 |
| 0.0 | 0.0 | Lease liabilities | 22 | 342.3 | 426.1 |
| 0.0 | 0.0 | Current provisions | 23 | 156.4 | 238.1 |
| 10.2 | 0.5 | Other current liabilities | 24 | 5 639.3 | 4 951.3 |
| 5 320.4 | 7 857.6 | **Total current liabilities** | | 7 991.9 | 9 184.4 |
| 9 003.5 | 9 737.0 | **Total liabilities** | | 16 071.7 | 15 593.1 |
| 19 896.2 | 18 995.4 | **TOTAL EQUITY AND LIABILITIES** | | 33 932.5 | 30 757.8 |

**HØVIK, 23 MARCH 2022**

| | | | | | |
|---|---|---|---|---|---|
| JON FREDRIK BAKSAAS<br>CHAIR | LASSE KRISTOFFERSEN<br>VICE-CHAIR | BIRGIT AAGAARD-SVENDSEN | JON EIVIND THRANE | NINA IVARSEN | THOMAS REINER |
| INGVILD SÆTHER | CHRISTIAN VENDERBY | SILVIJA SERES | DAVID MCKAY | REMI ERIKSEN<br>GROUP PRESIDENT & CEO | |

# STATEMENT OF CASH FLOW

| DNV GROUP AS 2021 | DNV GROUP AS 2020 | AMOUNTS IN NOK MILLION | NOTE | DNV GROUP AS CONSOLIDATED 2021 | DNV GROUP AS CONSOLIDATED 2020 |
|---|---|---|---|---|---|
| | | **CASH FLOW FROM OPERATIONS** | | | |
| 1 674.4 | 152.7 | Profit before tax | | 3 157.6 | 2 172.6 |
| 0.0 | 0.0 | Gain on disposal of tangible fixed assets | 10 | 2.8 | (1.3) |
| 0.0 | 0.0 | Loss (gain) on divestments | 14 | (599.4) | 2.8 |
| 0.0 | (4.5) | Loss (gain) on equity instruments | | 0.0 | (9.2) |
| 0.0 | 0.0 | Loss (gain) from change of defined benefit pension plans | 15 | 0.0 | (6.9) |
| 0.0 | (213.8) | Group contributions recorded as financial income | | 0.0 | 0.0 |
| 0.0 | 0.0 | Depreciation, amortization and impairment | 8,10 | 1 027.7 | 1 075.1 |
| (18.8) | 0.0 | Tax payable | 7 | (768.5) | (611.6) |
| 0.0 | 0.0 | Change in contract assets, contract libilities, | | (350.7) | 1 419.2 |
| | | trade receivables and trade creditors | | | |
| 148.4 | (191.9) | Change in accruals, provisions and other | | 291.7 | 40.4 |
| 1 804.0 | (257.5) | **Net cash flow from operations** | | 2 761.2 | 4 081.3 |
| | | | | | |
| | | **CASH FLOW FROM INVESTMENTS** | | | |
| 0.0 | 0.0 | Acquisitions | 14 | (892.0) | (136.4) |
| 0.0 | 0.0 | Divestments of subsidiaries | 14 | 0.0 | 178.9 |
| 0.0 | 0.0 | Divestment of associates | 12 | 786.2 | 0.0 |
| 0.0 | 0.0 | Investments in tangible fixed assets | 10 | (153.2) | (118.3) |
| 0.0 | 0.0 | Investments in intangible assets | 8 | (198.2) | (237.2) |
| 0.0 | 0.0 | Sale of tangible fixed assets (sales value) | | 9.1 | 16.9 |
| (0.2) | 4.7 | Change in other investments | | (11.9) | (8.3) |
| (0.2) | 4.7 | **Change in other investments** | | (460.1) | (304.5) |
| | | | | | |
| | | **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| 321.4 | (795.0) | Change in loan from subsidiaries | | 0.0 | (800.0) |
| (252.0) | 0.0 | Repayment of external loans | | (270.7) | 0.0 |
| 0.0 | 0.0 | Change in overdraft | | 2.1 | (8.7) |
| (727.6) | 3 057.1 | Change in net position towards participants | | (50.1) | (93.1) |
| | | in the cash pool system | | | |
| 0.0 | 0.0 | Change in lease liabilities | | (436.8) | (465.9) |
| 0.0 | (700.0) | Dividend paid | | 0.0 | (700.0) |
| 213.8 | 150.7 | Group contribution (paid) /received | | (42.1) | (167.6) |
| (444.4) | 1 712.8 | **Net cash flow from financing activities** | | (797.5) | (2 235.3) |
| | | | | | |
| 1 359.3 | 1 460.0 | **Net increase/(decrease) in cash and bank deposits** | | 1 503.6 | 1 541.5 |
| | | | | | |
| 3 814.0 | 2 354.0 | Liquidity at beginning of period | | 5 365.1 | 3 809.0 |
| 0.0 | 0.0 | Cash in acquired companies | 14 | 67.2 | 14.6 |
| 5 173.3 | 3 814.0 | **Liquidity at end of period** | | 6 935.9 | 5 365.1 |



# STATEMENT OF CHANGES IN EQUITY

CHANGES IN EQUITY IN **DNV GROUP AS**

AMOUNTS IN NOK MILLION

| | SHARE CAPITAL | SHARE PREMIUM | OTHER EQUITY | TOTAL |
|---|---|---|---|---|
| **Equity at 1 January 2020** | 100.0 | 9 323.5 | 1 661.9 | 11 085.4 |
| Profit for the period | | | 122.9 | 122.9 |
| Accrued dividend | | (165.2) | (1 784.8) | (1 950.0) |
| **Equity at 31 December 2020** | 100.0 | 9 158.3 | 0.0 | 9 258.3 |
| Profit for the period | | | 1 662.1 | 1 662.1 |
| Group contribution payable | | | (51.9) | (51.9) |
| Change in fair value of interest rate swap | | | 24.1 | 24.1 |
| **Equity at 31 December 2021** | 100.0 | 9 158.3 | 1 634.4 | 10 892.7 |

CHANGES IN EQUITY IN **DNV GROUP AS** CONSOLIDATED

AMOUNTS IN NOK MILLION

| | SHARE CAPITAL | SHARE PREMIUM | OTHER EQUITY | CURRENCY TRANSLATION DIFFERENCES | NON-CONTROLLING INTEREST | TOTAL |
|---|---|---|---|---|---|---|
| **Equity at 1 January 2020** | 100.0 | 9 323.5 | 2 027.9 | 3 925.8 | 42.0 | 15 419.2 |
| Profit for the period | | | 1 490.3 | | 11.8 | 1 502.0 |
| Group contribution payable | | | (32.8) | | | (32.8) |
| Dividend accrued | | (165.2) | (1 784.8) | | | (1 950.0) |
| Exchange differences | | | | 604.3 | 0.3 | 604.6 |
| Actuarial gains/(losses) on defined benefit pension plans | | | (363.2) | | | (363.2) |
| Other equity changes | | | 3.0 | | (18.2) | (15.2) |
| **Equity at 31 December 2020** | 100.0 | 9 158.3 | 1 340.3 | 4 530.1 | 35.9 | 15 164.6 |
| Profit for the period | | | 2 402.4 | | 17.7 | 2 420.1 |
| Group contribution payable | | | (191.5) | | | (191.5) |
| Exchange differences | | | | (464.2) | 0.2 | (463.9) |
| Actuarial gains/(losses) on defined benefit pension plans | | | 902.1 | | | 902.1 |
| Change in fair value of interest rate swap | | | 24.1 | | | 24.1 |
| Other equity changes | | | | | 5.4 | 5.4 |
| **Equity at 31 December 2021** | 100.0 | 9 158.3 | 4 477.4 | 4 065.9 | 59.2 | 17 860.8 |

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