

# Commercial and Industrial Energy Efficiency Program Manual - 2018



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# Commercial & Industrial Energy Efficiency Program Manual

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## Section 1: Introduction

This program manual outlines the policies and procedures for Southwestern Electric Power Company's (SWEPCO) Commercial & Industrial Energy Efficiency Program (CIEEP). It is intended to guide "implementation and participation" activities, making certain all parties understand the program requirements and their responsibilities. The manual is designed for use by SWEPCO personnel, its customers and participating contractors. SWEPCO has contracted with CLEARResult Consulting, Inc. to assist with program implementation.

### 1.1 Program Overview

The CIEEP is an energy efficiency program targeted to Arkansas commercial and industrial customers served by SWEPCO. Monetary incentives will be paid to Host Customers for the retrofit installation of a wide range of measures that reduce demand and save energy in commercial and industrial facilities. To designate incentive payment to a third party (i.e. Project Sponsor), additional documentation is required.

Incentives are different from rebates in that incentives are intended to motivate the customer to purchase a more energy efficient product, as opposed to rebates which are a partial refund of the purchase price of an item. As CIEEP provides incentives, not rebates, **it is essential for the Project Sponsor or Host Customer to contact CIEEP prior to purchasing products or beginning construction in order to obtain monetary incentives from CIEEP.**

Participants in the CIEEP must meet minimum eligibility criteria, comply with all program rules and procedures, submit documentation describing their projects, and enter into a CIEEP agreement with SWEPCO. This document summarizes eligibility requirements, incentives, the participation process, and other information needed to successfully take part in this program.

The CIEEP provides incentives for SWEPCO-served commercial and industrial facilities located in Arkansas whose annual peak kW demand exceeds 100 kW. SWEPCO-served commercial and industrial facilities located in Arkansas whose annual peak kW demand is less than or equal to 100 kW are not eligible for CIEEP incentives, but may participate in SWEPCO's Small Business Program (SBDI). For more information about SBDI please contact SWEPCO via the contact information listed at the end of this manual.



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## Section 2: Eligibility Requirements

### 2.1 Host Customer

A Host Customer is any non-residential SWEPCO Arkansas customer. Host Customers may either host a project developed by a Project Sponsor or choose to sponsor the project themselves. An example of a Host Customer acting as its own Project Sponsor is a manufacturing facility using its in-house maintenance staff to install energy efficiency measures, rather than bidding the installation to a contractor.

The Host Customer's responsibilities include the following:

- Initiating an energy efficiency project on a facility owned or operated by the Host Customer
- Entering into an agreement with the selected Project Sponsor (or with SWEPCO, in the case of Host Customer-sponsored projects)
- Providing reasonable access to project facilities and data both before and after project completion

### 2.2 Project Sponsor

A Project Sponsor is an entity that both acts as the primary point of contact for a project and provides necessary documentation for a CIEEP project. Project Sponsors may include, but are not limited to:

- Individual customers that install measures in their own facilities
- Contractors or energy service companies (ESCOs)
- Companies that provide energy-related services or products (such as lighting or HVAC equipment)
- Cities, counties and local governments

Project Sponsors are required to provide project details, including technical specifications of products installed, to the CIEEP in order to qualify the project for incentives. Project Sponsors must also complete and submit the project's incentive application and any other necessary information to process incentives.



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## 2.3 Project

A project includes the incentive-eligible measures installed at a SWEPCO-served commercial or industrial site, as well as the estimated energy savings. Projects that include a comprehensive range of measure types are especially encouraged.

If the customers and sites proposed are all similar, one project may involve the installation of measures at multiple customer sites. For example, installation of measures at a chain of grocery stores may include more than one customer, but may constitute a single project. This limitation is included to limit administrative costs for due-diligence review of applications and projects.

## 2.4 Measure

Most energy efficiency measures in retrofit applications that reduce electric energy consumption are eligible for CIEEP incentives. In addition to measures established by the CIEEP, Project Sponsors may propose the inclusion of any measure that:

- Produces savings through an increase in energy efficiency
- Is installed in a new or retrofit application
- Exceeds minimum equipment standards as provided in the governing revision of the Arkansas Technical Reference Manual (TRM)

Measure types excluded from consideration in the program are those that:

- Involve self-generation or cogeneration
- Rely on changes in human behavior
- Require no capital investment
- Result in negative environmental or health effects
- Receive an incentive through any other energy efficiency program or promotion offered by SWEPCO (e.g., Small Business)
- Involve load reductions caused by building vacancies, decreased production, or other changes in occupant characteristics or behavior
- Involve Thermal Energy Storage (TES)

Project incentives will be paid only for energy savings directly related to end-use equipment installed under the project. Savings due to interactive effects between lighting and space-cooling measures will be eligible for payment based on a stipulated value only in cases where lighting measures have been installed in a conditioned space as part of the program. Interactive effects between other end-use equipment will only be eligible for payments if the effects can be quantified or measured in accordance with energy efficiency best practices.

## 2.5 Efficiency Standards

The CIEEP is designed to encourage electric energy efficiency improvements that go above and beyond the efficiency gains typically achieved in retrofit or replacement projects. Consequently, energy savings credit will be based only on reductions that exceed current state and federal



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minimum efficiency standards, if such standards apply.

One notable example of this is that the state and federal minimum efficiency standard for linear fluorescent lighting is a T8 lamp, even though T12 lamps are commonly found in conditions of commercial and industrial facilities. This means that CIEEP savings and incentive amounts for T12 lamp replacements will be calculated using T8 performance as a baseline rather than T12 performance.

In cases where standards do not exist, savings credit will be based on improvements relative to a customer’s energy use prior to participating in the program. A list of federal and state equipment efficiency standards is provided in the Arkansas TRM, available at <http://www.apscservices.info/ee.aspx>

### Section 3: Incentives

SWEPCO will provide monetary incentives to encourage Project Sponsors and Host Customers to implement energy efficiency projects recommended by the program. The Project Sponsor or the Host Customer will first execute the necessary contract agreements with SWEPCO for each project, implement a qualifying project, and complete the project as described in the incentive application.

#### 3.1 Standard Incentive Rates

The CIEEP provides standard incentive rates for first-year energy saved as a result of the measures installed. Energy savings are defined, in kilowatt-hours, as energy savings over the course of one 12-month period.

Savings will be either "deemed"—that is, stipulated through standardized savings values or formulas—or estimated through measurement and verification.

**Figure 1: Standard Incentive Rates**

Measure	Incentive
PC Power Management	\$0.10/kWh
Refrigerator & Freezer Gaskets	\$0.12/kWh
Refrigerator & Freezer Strip Curtains	
Fluorescent Lighting*	
LED Lighting (excluding Fixtures)*	
Air Compressor System Upgrades	\$0.14/kWh
Chillers	
HVAC Upgrades	
Lighting Controls	
LED Lighting Fixtures*	
Motor & Variable Speed Drive Upgrades	
Refrigerator & Freezer Doors	
Other	Case-by-Case



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*\* LED products must be DesignLights Consortium (DLC) or ENERGY STAR® approved. For retrofit projects, fluorescent products must be Consortium for Energy Efficiency (CEE) or ENERGY STAR® approved. Products labeled as “ENERGY STAR® Partner” are not eligible for incentive. Products that have been submitted to DLC or ENERGY STAR for approval, and at the point of installation have not been approved by DLC or ENERGY STAR, are considered eligible for incentive as long as Project Sponsor can provide documentation of submission to DLC or ENERGY STAR. “LED Fixture” is defined as a luminaire, not an individual lamp, in which the LED driver and array have been installed by the manufacturer, although high-intensity discharge LED screw-in lamps may also be considered “fixtures” for purposes of determining cash incentive amounts. LED and fluorescent A-series (or similar) screw-in and linear replacement “tube-style” lamps are not considered “LED Fixtures.”*

### **3.1.2 Direct Install Measures**

Direct Install Measures are energy efficiency measures provided at no cost to the customer. Both the material and labor required to complete installation of these measures are provided by the CIEEP at no cost to the Host Customer. These measures include:

- Low Flow Aerators
- Low Flow Pre-Rinse Spray Valves
- Vending Economizers – only applicable for beverage machines and non-ENERGY STAR® labeled machines

### **3.1.3 CoolSaver A/C Tune-Ups**

CoolSaver A/C Tune-Up incentives are available for non-residential SWEPCO customers in Arkansas, regardless of peak kW demand. To obtain a CoolSaver incentive, the Customer must hire a participating CoolSaver contractor to service the Customer’s air-conditioning or heat pump units. The measure diagnoses and optimizes the unit’s performance and includes:

- Cleaning the unit’s blower, filter, condenser coil and evaporator coil
- Adjusting the unit’s airflow and/or refrigerant level, as needed

CoolSaver incentives are offered as point-of-sale discounts by the participating CoolSaver contractor. Incentives are fixed and vary based on the air-conditioner or heat pump unit’s nominal tonnage:

**Figure 2: CoolSaver Incentive Rates**

Unit Nominal Tonnage	Incentive
5 tons & less	\$150
6-10 tons	\$250
11-15 tons	\$350
16-25 tons	\$500
26-30 tons	\$600
31-50 tons	\$900
51-80 tons	\$1,500
80+ tons	\$1,800

In order to qualify for a CoolSaver incentive, the air-conditioner or heat pump unit must:

- Be an air-cooled direct expansion air-conditioner or heat pump
- Have been installed on site for no less than 1 year and be in operable condition
- Have not received a CoolSaver incentive in the previous 5 years
- Not be a package terminal air conditioner (PTAC), mini-split, window unit or chiller
- Be serviced by a participating CoolSaver contractor when the outside temperature is greater than or equal to 75°F

Contractors who wish to offer CoolSaver incentives must complete a CoolSaver participation agreement in addition to the standard CIEEP participation agreement, purchase a program-approved digital manifold and relevant accessories, and must have a minimum of 1 technician attend and successfully complete a CoolSaver training course. CoolSaver trainings are typically offered in April and May.

### 3.1.4 Midstream

Midstream incentives are intended to provide Customers with a streamlined method of obtaining incentives for small lighting retrofits or recurring facility maintenance. They are available for non-residential SWEPCO customers in Arkansas, regardless of peak kW demand. To obtain a Midstream incentive, the Customer must purchase a qualified lighting product from a participating Midstream vendor and must provide the vendor with the SWEPCO-serviced site address at which the product will be installed. Midstream incentives are fixed and vary by the type of lighting product, and are offered as point-of-sale discounts by participating vendors. **Midstream incentives are not available for new construction projects. Standard incentive rates are not available for lighting products a Customer purchases using Midstream incentives.**

## 3.2 Limitation – Maximum Project Sponsor Incentives

To ensure that incentives are available to multiple participants, SWEPCO reserves the right to review individual projects to maximize incentive levels for the project while ensuring incentives are available for other customers.



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### 3.3 Payments

CIEEP incentives are always paid to the Host Customer, unless the Host Customer chooses to allow the Project Sponsor to receive the incentive payment. In that case, both parties sign a Customer Acknowledgment Form. If the Project Sponsor receives the incentive payment for a CIEEP project, they must provide the Host Customer with a line item discount on their invoice to the Host Customer for the exact amount of the incentive payment.

SWEPCO will pay incentives in either one or two installments, depending on the measures involved in the project.

For measures with deemed savings values, the Host Customer or Project Sponsor will receive a payment equal to 100% of the approved incentive payment after a project is installed and approved by SWEPCO.

For measures with non-deemed savings that are *estimates* and require post-installation measurement and verification (M&V), the Host Customer or Project Sponsor may receive an initial payment equal to 40% of the approved incentive amount as documented in the incentive application, and receive the remainder of the incentive after the project is installed and approved by SWEPCO. Final incentive amounts are subject to final, verified savings as detailed in the M&V project plan.

Therefore, the total “installation payment” is determined by:

Calculating the portion represented by those measures with estimated savings (the "estimated installation payment") using the following equation:

$$\text{Estimated installation payment} = 0.4 * \text{estimated annual kWh savings} * \text{\$/kWh incentive rate}$$

Calculating the portion represented by those measures with deemed savings values (the "deemed installation payment") using the following equation:

$$\text{Deemed installation payment} = \text{deemed annual kWh savings} * \text{\$/kWh incentive rate}$$

Adding the estimated portion to the deemed portion to get the total installation payment:

$$\text{Installation payment} = \text{Estimated installation payment} + \text{Deemed installation payment}$$

For non-deemed savings measures, all M&V activities must be complete, documented, and accepted by SWEPCO before the Host Customer or Project Sponsor will receive the remaining incentive payment based on the one-year verified savings. This “performance payment” will be equal to the actual savings minus the estimated installation payment and may be up to 60% of the total approved estimated incentive payment. Therefore, the performance payment will be calculated as follows:

$$\text{Performance payment} = (\text{measured annual energy savings} * \text{\$/kWh incentive rate}) - \text{estimated installation payment}$$

The final project incentive payment will be in accordance with final M&V results. SWEPCO



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reserves the right to limit the final project incentive payment so that it does not exceed the incentive amount reserved via the project application.

For projects requiring detailed M&V plans, the M&V plan must be agreed to by both the customer and the implementation team prior to beginning.

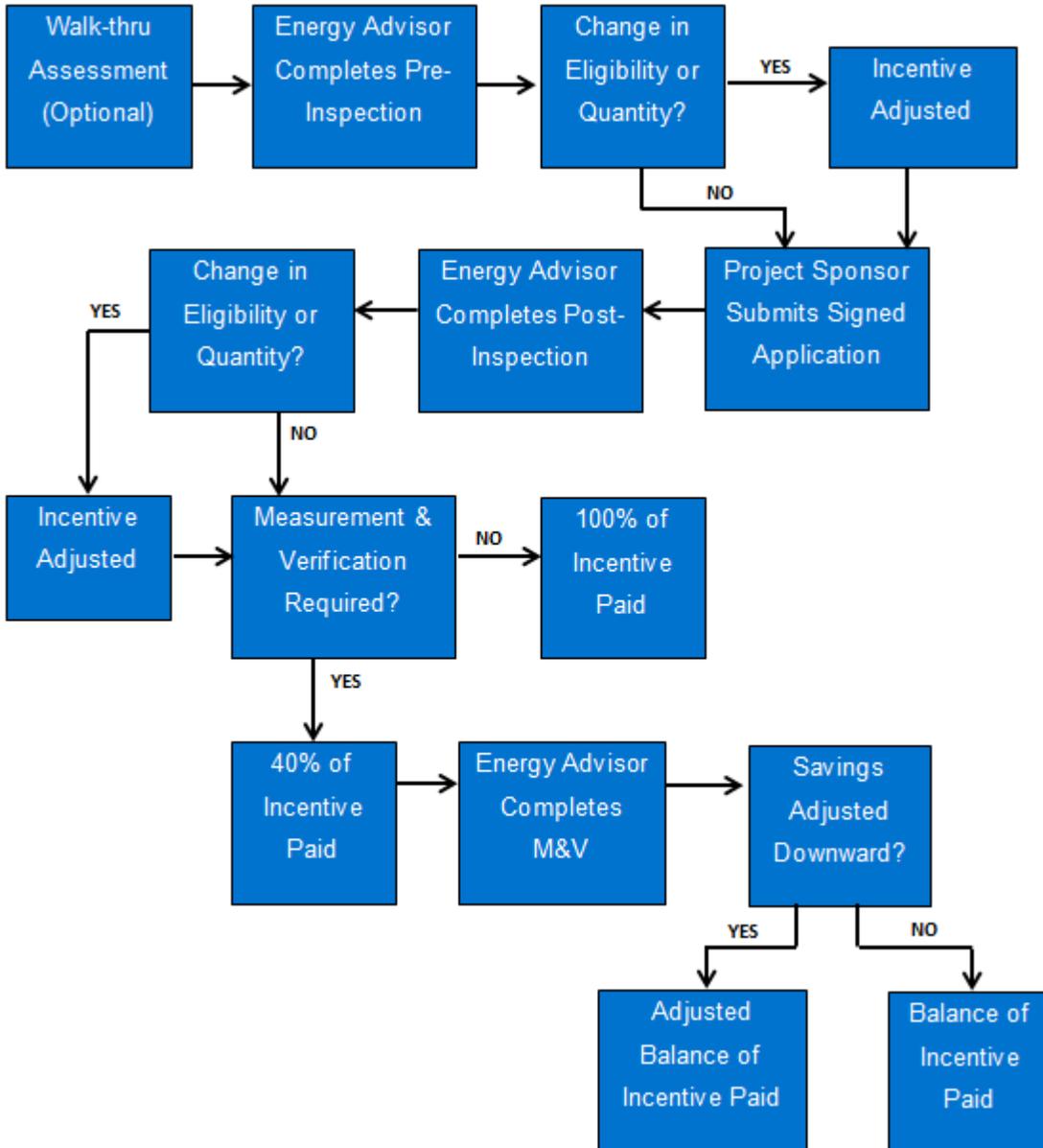
In the event that M&V activities reveal that the total savings are less than the Installation Payment, the Host Customer or Project Sponsor is responsible for payment of the difference between the Installation Payment and eligible incentives to SWEPCO.

## Section 4: Participation Process

The CIEEP participation process is as follows:

Step	Description
<b>1</b>	<b>Walk-Thru Assessment (optional)</b>  The Energy Advisor (a CIEEP representative) meets with the customer to tour the site where the project will take place. This meeting includes a review of the Program's services, incentives, and value of participation. If requested, the Energy Advisor will provide assistance developing the specifications for the project and conducting the financial analysis necessary to justify the project.
<b>2</b>	<b>Pre-Installation Inspection</b>  After the customer obtains bids for the desired project, the Energy Advisor conducts a pre-inspection to verify existing and proposed conditions and equipment meet eligibility criteria. Potential savings and incentive amounts are also generated.
<b>3</b>	<b>Incentive Application</b>  The customer submits the Incentive Application which outlines the final project specifications, estimated savings, and incentive reservation amount. The Energy Advisor verifies the final project is eligible for incentives and determines M&V requirements.
<b>4</b>	<b>Post-Installation Inspection</b>  The Energy Advisor conducts the necessary post inspections to verify the planned upgrades have been installed. Changes to project specifications may result in changes to potential savings and incentive amounts.
<b>5</b>	<b>Measurement and Verification (M&amp;V), if applicable</b>  The customer and their contractor conduct any necessary M&V. If using deemed savings, the Energy Advisor will calculate the final savings based on the post- installation inspection.
<b>6</b>	<b>Project Close Out</b>  The Energy Advisor submits final project documentation, including M&V Report (if applicable), and initiates incentive payment process. Customer receives incentive within 2 to 4 weeks.

**Figure 2: Participation Process Diagram**





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## Walk-Thru Assessment (optional)

SWEPCO offers a walk-thru assessment of a commercial or industrial facility prior to any CIEEP project details being finalized, if the customer expresses interest in such a visit. The purpose of this assessment is both to gather information about the customer's interests and facility characteristics, as well as to increase awareness of energy efficiency opportunities and CIEEP's offerings.

In cases where a customer and Project Sponsor have already begun discussing project details with Program participation in mind, SWEPCO may skip a walk-thru assessment and instead schedule a pre-installation inspection.

### 4.1 Pre-Installation Inspection

**SWEPCO must conduct a pre-installation inspection** of the project site or plans to verify the baseline conditions documented in the application and the feasibility of installing the proposed equipment. The inspection will verify the following information:

- The accuracy of the equipment survey. For most measures the accuracy of the equipment quantity and nameplate information is verified.
- The M&V plan is appropriate for the measure, and the necessary M&V activities are being performed.
- All existing equipment listed in the incentive application is still in place and operational.
- New equipment installation, or preparation for installation, has not begun.

When electrical measurements are necessary, the representative(s) is required to perform any necessary disruptions in equipment operation, the opening of any electrical connection boxes, or the connection of current and power transducers. If the pre-installation inspection cannot be completed in a timely manner because the representative(s) is unfamiliar with the facility or project, the project site will fail the inspection.

*If a project site fails two inspections, SWEPCO will reject the project.*

*If the proposed equipment has been installed before the pre-installation inspection and the baseline conditions cannot be verified, SWEPCO may reject the incentive application.*

### 4.2 Incentive Application

Project Sponsors or Host Customers must complete an incentive application to participate in the program. **This application will include or be accompanied by the following information, submitted by the Project Sponsor:**

- The W-9 of the party (Host Customer or Project Sponsor) that will receive the CIEEP incentive.
- Detailed information about the Host Customer site(s) and customer contact information.



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- If required, a project-specific M&V plan describing how the sponsor will monitor and verify energy and demand savings, the methods for calculating actual savings, and a schedule for conducting and reporting on M&V activities. In some cases, pre-installation M&V activities may be required to accurately estimate savings. Revised work plan for project design, implementation, operation, and management, including the anticipated project timeline.

SWEPSCO may also review the feasibility of the proposed measures, the accuracy of the savings estimates, and the comprehensiveness of the M&V plan. SWEPSCO may request clarification of or additional information about any item in the application. Host Customers or Project Sponsors will have ten business days to respond to such requests. If the clarification or additional information is not forthcoming, SWEPSCO may choose to discontinue its evaluation of the application.

**The Host Customer or Project Sponsor is required to sign the application with SWEPSCO before installing any measures.** The terms of the application will be standard for all Host Customers or Project Sponsors, and will include the measures to be installed, estimates of demand and energy savings, a maximum incentive payment associated with the project, and the approved M&V approach.

**After the measures have been installed, the Project Sponsor must provide SWEPSCO with a copy of the invoice sent to the customer, and this invoice must include:**

- An itemized description and quantity of each incentive-eligible product installed as part of the project
- The total cost of the project, including labor, material and tax

It is the contractor's responsibility to determine the tax amounts that apply to their project and are listed on their invoice.

For projects where the Project Sponsor receives the SWEPSCO incentive: Project Sponsor must provide the customer-facing invoice as listed above, but must also include a line item discount titled "SWEPSCO incentive" for the exact amount of the incentive paid by SWEPSCO to the Project Sponsor for the project in question. If the Project Sponsor invoices the customer with an incorrect SWEPSCO incentive listed as a discount, the Project Sponsor **MUST** re-invoice the customer with a new invoice listing the correct SWEPSCO incentive discount, provide a copy of this invoice to SWEPSCO, and refund the customer any money they may have overpaid due to the incorrect discount listed on the previous invoice. Failure to comply with these rules may result in SWEPSCO choosing not to evaluate future incentive applications from the Project Sponsor.

### 4.3 Post-Installation Inspection

SWEPCO will contact the Host Customer or Project Sponsor and conduct a post-installation inspection of the project site after receiving notice that the energy efficiency measures have been installed. The post-installation inspection requires the presence of at least one representative of the Host Customer or Project Sponsor familiar with the project and the facility. The inspection shall verify that:

- The equipment specified in the incentive application has been installed and is operating as described. For most measures, the accuracy of the equipment quantity and nameplate information is verified.
- The M&V plan is being followed in accordance with the approved incentive application.

When electrical measurements are necessary, the representative(s) is required to perform any necessary disruptions in equipment operation, the opening of any electrical connection boxes, or the connection of current and power transducers. If the post-installation inspection cannot be completed in a timely manner because the representative(s) is unfamiliar with the facility or project, the project site will fail the inspection.

### 4.4 Measurement and Verification

Before the total incentive payment is made, the potential for the project measures to save demand and energy must be verified and the actual savings estimated. For non-deemed energy savings, these activities will be conducted in accordance with the M&V plan developed for the project. Host Customers or Project Sponsors are responsible for developing their own M&V plans conducting all M&V activities for the project.

M&V procedures will vary in detail and rigor depending on the measures installed. For each installed measure, the chosen procedures will depend upon the predictability of equipment operation, the availability of evaluation data from previous programs, and the benefits of the chosen M&V approach relative to its cost.

Project-specific M&V procedures may be classified according to three distinct approaches that represent increasing levels of detail and rigor.

- **Deemed savings:** Savings values are stipulated based on engineering calculations using typical equipment characteristics and operating schedules developed for particular applications, without on-site testing or metering. This approach can be used only for measures for which savings are relatively certain, such as lighting efficiency and controls. CIEEP complies with the governing version of the Arkansas TRM when determining deemed savings.
- **Simple M&V:** Savings values are based on engineering calculations using typical equipment characteristics and operating schedules developed for particular applications, with some short-term testing or simple long-term metering. For example, chiller energy and demand savings can be determined using the simple approach by comparing rated efficiencies of high-efficiency equipment to standard equipment, and using kW spot-

metering and simple long-term kWh metering.

- **Full M&V:** Savings are estimated using a higher level of rigor than in the deemed savings or simple M&V approaches through the application of metering, billing analysis, or computer simulation. These methods will need to be developed in accordance with the 2010 International Performance Measurement and Verification Protocol (IPMVP), which represents the starting point for standard industry practice. More information about the IPMVP may be found on the Internet at [www.ipmvp.org](http://www.ipmvp.org). Using the IPMVP as a guide, SWEPCO has developed several measure-specific guidelines to help ensure consistency and quality of the M&V performed by Project Sponsors. Project Sponsors will need only to adapt the guidelines to their specific projects in order to specify a project-specific M&V plan for the application stage.

The time required to complete M&V activities will range from less than a month to up to 12 months, depending on the approach chosen.

#### **4.5 Project Close Out**

Upon completion of M&V activities for the project, SWEPCO's Energy Advisor will complete an M&V Report for non-deemed savings measures or a final calculation for deemed savings measures documenting the projects measured demand and energy savings. An approved M&V Report or final calculation will serve as the invoice for the final incentive payment – the performance payment. This payment is based on the project's verified savings minus the amount paid in the installation payment.

### **Section 5: Participating Contractors**

Project Sponsors who plan to submit multiple projects to CIEEP are invited to submit an application to become a Participating Contractor. Participating Contractors are Project Sponsors who may co-brand their marketing materials with the SWEPCO - logo, and whose contact information and services offered may be promoted on SWEPCO's customer-facing website. A Participating Contractor may be a licensed installing contractor, an ESCO, or a distributor. Host Customers who act as their own Project Sponsor, or who use in-house staff to install energy efficiency measures, are ineligible to become Participating Contractors.

In order to become a Participating Contractor, the Project Sponsor must sign and meet the eligibility criteria outlined in the CIEEP Participating Contractor agreement. This agreement is included as an appendix to this manual. The Project Sponsor does not become a Participating Contractor until receiving written approval of their CIEEP Participating Contractor agreement by program staff.

In order to utilize the SWEPCO logo, a Participating Contractor must complete a Co-Branding Agreement form, which may be requested from program staff. The Participating Contractor may not use the SWEPCO logo until they have received written approval of this request, and may only use the logo image provided by program staff.

In order to have a "General" listing on the SWEPCO website, a Participating Contractor must have completed a minimum of one CIEEP project in the time period of **January 1, 2017** to



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**December 31, 2018.** A Participating Contractor is considered to have completed a CIEEP project if (a) they are listed as EITHER the Project Sponsor OR the Installing Contractor on the CIEEP project's application, and (b) the project was successfully installed and incentives were paid to the Host Customer or Project Sponsor. Participating Contractors with a General listing are displayed on the website alphabetically.

In order to have a "Preferred" listing on the SWEPCO website, a Participating Contractor must meet all the conditions to be listed on the website, and must in addition, have EITHER completed a minimum of **10 CIEEP projects** OR have generated a minimum of **250,000 kWh** savings in the time period **January 1, 2017 to December 31, 2018**. Participating Contractors with a Preferred listing will be placed above the General list on the website, and will be displayed in order of highest to lowest kWh savings generated by the Participating Contractor.

A Participating Contractor's failure to comply with program requirements may result in SWEPCO taking disciplinary action against the Participating Contractor until such failure has been remedied, as determined by SWEPCO. Disciplinary action may include, but is not limited to, removal of Participating Contractor's ability to use the SWEPCO logo, removal of Participating Contractor from SWEPCO's website, or denial of incentives for projects completed by the Participating Contractor.

## **Section 6: Termination of Incentive Eligibility**

SWEPCO, in its sole discretion, reserves the right to deny incentive funds for any Host Customer, Project Sponsor, or project at any time.

## **Section 7: Correspondence**

All applications will be completed and submitted to SWEPCO. All supporting documentation will be submitted to the appropriate SWEPCO EE/Consumer Programs Coordinator listed below.

All correspondence and documentation for the CIEEP in SWEPCO's Arkansas service territory should be directed to the address below:

### **SWEPCO**

Attn: Greg Perkins, EE/Consumer Programs Coordinator

101 W. Township

Fayetteville, AR 72703

Phone: (479) 973-2435

E-mail: [gaperkins@AEP.com](mailto:gaperkins@AEP.com)

## **Section 8: Confidentiality**

The CIEEP is subject to oversight by the Arkansas Public Services Commission, which may request a copy of any program materials received by SWEPCO. Sensitive company and project information, such as financial statements, should be marked “Confidential” when submitted to SWEPCO. These materials will be treated confidentially, and will not be provided directly to outside parties other than the APSC. SWEPCO will have no liability to any Project Sponsor or other party as a result of public disclosure of any submittals.

## **Section 9: Participation Costs**

SWEPCO will not reimburse any Project Sponsor for any costs incurred by participating in the CIEEP, including costs of preparing the incentive application or reviewing the CIEEP participation agreement.

## **Section 10: Submission of False Information**

SWEPCO reserves the right to discontinue its evaluation of all submittals from any Project Sponsor who, in the sole judgment of SWEPCO, submits false, misleading, or incorrect information.

## **Section 11: Web Site**

CIEEP’s web site at [www.SWEPCOsavings.com](http://www.SWEPCOsavings.com) is the primary source for all updated program information and materials. The web site includes the following:

- Program description and requirements
- Contact information to receive more information about the program
- A list of frequently-asked questions (FAQ) about the program
- Status updates on program funding available and committed (as needed)
- Downloadable guidelines, applications, and submittal forms

## **Section 12: Equipment and Installation Standards**

Baseline equipment standards are in accordance with the latest, governing version of the Arkansas Technical Resource Manual, ASHRAE 90.1, and/or IECC standards.



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## 2018 Participating Contractor Agreement

SWEPCO is offering CIEEP to improve the energy efficiency of large commercial facilities located within SWEPCO's Arkansas service territory.

### Contractor Network Benefits

The program provides the following benefits to participating contractors:

- The opportunity to promote and market the program to customers of SWEPCO
- Aggressive energy savings-based incentives aimed at increasing customer adoption of energy efficiency measures
- Promotion on SWEPCO's website (once contractor has completed a minimum of 1 CIEEP project). Failure to complete 1 CIEEP project a year could result removal from SWEPCO's website.

### Participation Requirements

#### Insurance

During the term, participating contractors shall maintain and provide proof of the following Commercial General Liability Insurance Minimums:

- \$1,000,000 general liability insurance coverage
- Worker's compensation and employer's liability coverage
- Business automobile liability coverage including owned, non-owned, and hired vehicles

#### Licenses

At all times during the program, participating contractors must adhere to all permitting and licensing requirements as set forth by federal, state, county, and/or municipal authorities with jurisdiction overseeing work performed.

### Enrollment Instructions

**Step 1:** Complete an Agreement.

**Step 2:** Complete a W-9

**Step 3:** Submit completed Agreement, W-9, certificate of insurance, and copies of required licenses and/or training certificates (if applicable) via:

Email: [gaperkins@aep.com](mailto:gaperkins@aep.com)

Mail: SWEPCO CIEEP

101 W. Township

Fayetteville, AR 72703



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Company Information					
Company Name:					
Address:					
City:		State:		Zip:	
Contact Name:					
Phone:		Fax Number:			
E-Mail Address:					
Website					
Mailing and Incentive Information					
Mailing Address:					
City:		State:		Zip:	
Company Tax ID or SSN:					
Please identify products and/or services provided by company.					
<input type="checkbox"/> Air Compressors	<input type="checkbox"/> Refrigerator Strip Curtains	<input type="checkbox"/> Lighting (Fluorescent and/or LED)			
<input type="checkbox"/> Chillers	<input type="checkbox"/> HVAC Upgrades	<input type="checkbox"/> Lighting Controls			
<input type="checkbox"/> Refrigerator Gaskets	<input type="checkbox"/> HVAC Controls	<input type="checkbox"/> Motor & Variable Speed Drive Upgrades			
<input type="checkbox"/> Refrigerator Doors	<input type="checkbox"/> PC Power Management	<input type="checkbox"/> Other: _____			



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## Terms and Conditions

This Contractor Agreement (“Agreement”) is made and entered into by and between SWEPCO, (hereinafter “Implementer”), and \_\_\_\_\_ (hereinafter “Participating Contractor”), (Implementer and Participating Contractor each hereinafter referred to as a “Party” and together as the “Parties”). Implementer administers the Commercial and Industrial Energy Efficiency Program Install program (hereinafter “Program”) on behalf of SWEPCO, a division of American Electric Power (hereinafter “Utility”). In consideration of the mutual covenants and agreements hereinafter set forth, the adequacy and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

As a Participating Contractor in the Program, Participating Contractor hereby agrees to the following:

1. The Participating Contractor agrees to the roles, responsibilities, requirements, policies, terms, conditions, and guidelines of the Program as set forth in the governing CIEEP Program Manual.
2. Participating Contractor is an independent contractor in relation to the Implementer and Utility, and is voluntarily participating in the Program to deliver the services as outlined in the program manual directly to customers for whom Utility provides electric delivery service (“Customer”). As such, Participating Contractor shall not be deemed a partner, agent, or employee of the Implementer, Utility, or Customer for any purpose. Participating Contractor will pay all of its administrative, overhead, and other costs, including withholding taxes, social security, unemployment, disability, health, workers’ compensation, or other insurance coverage.
3. Participating Contractor shall not knowingly misrepresent any information concerning the Program, its purpose, policies, incentives, and procedures, or their role in the Program or relationship with the Implementer or the Utility.
4. Participating Contractor acknowledges that incentives will be paid by Utility only if: 1) Customer(s) and installed measure(s) or services meet the program eligibility requirements outlined in the program manual; 2) Measures are installed in project sites that receive delivery of electricity from Utility (SWEPCO’s Arkansas service territory) as evidenced by the meter number; and 3) Measures are installed at a project site that has not received incentives from any other of Utility’s energy efficiency programs for the same measure(s). Participating Contractor understands that Utility may withhold incentive payments committed to the Participating Contractor if the project site is proven to not receive electric delivery service from Utility.
5. Participating Contractor will, at its sole expense, purchase, maintain, and require its agents and subcontractors to purchase and maintain, during the term of its participation in the Program, insurance policies with substantial and sound insurers, having coverage of the types and at least in the amounts specified in this Agreement.
6. Participating Contractor shall not use the Implementer or its affiliates, or SWEPCO trademarks without written approval by the Implementer, or Utility respectively.
7. The Implementer has the sole right and authority to determine acceptance of Participating Contractor’s application and resulting right of participation in the Program. Participating Contractor must agree to pursue referral leads resulting from the Program’s marketing and communications efforts, and must make a good faith effort to provide, in a timely fashion, services to these leads in accordance with the Program guidelines and this Agreement. Participating Contractor recognizes that any leads received as a result of the Program’s efforts constitute a Program benefit.
8. Participating Contractor understands that participation in the Program does not constitute an endorsement of any kind on the part of the Implementer or Utility. Participating Contractor shall not state or imply any such endorsement, either directly or indirectly, in written or verbal form.
9. Participating Contractor shall not mislead customer(s) about the availability of Program incentives or misrepresent its role in the incentive award process. Only Utility or the Implementer on behalf of Utility, in its sole discretion can approve or reallocate Program incentives for a customer.
12. Participating Contractor, and its agents and subcontractors, shall retain all necessary licensures, certification, training, and other requirements as deemed necessary by state law, the Program policies and guidelines, and all relevant documentation pertaining to the installation of the energy efficiency measures, and will provide immediate access to such documentation to the Implementer and Utility upon request. This includes but is not limited to appropriate liability insurance, permits, licensure, or certification information, installed equipment model and serial numbers, etc.
13. Participating Contractor must agree to allow random field inspections, by Utility, the Implementer or its designee, of work that has been performed. Participating Contractor, upon request from Utility or the Implementer, and at no additional cost to the customer, shall make reasonable repairs or corrections to work that Participating Contractor has performed to bring such work up to Program standards.
14. Participating Contractor, its employees, agents and subcontractors, represent and warrant that: 1) the services performed for a customer through the Program shall be performed in a good workmanlike, skilled, and professional manner; 2) the services shall comply in all material respects with the specification and other requirements set forth in each applicable contract with customer and in strict accordance with the Program and this Agreement; 3) Participating Contractor’s performance of the services shall not violate any applicable law, rule, regulation, contracts with third parties, and/ r any third-party rights, including, without limitation, any copyright, trademark, trade secret, or patent or similar right; and 4) Participating Contractor is the lawful owner or licensee of any intellectual property, software applications or other materials used by Participating Contractor in the performance and delivery of the



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services and has all rights necessary to convey to customer the unencumbered ownership of all work product that results from the services. Participating Contractor understands that the Implementer reserves the right to terminate or to modify this Agreement at any time for Participating Contractor's noncompliance with the program manual, any law, any clause of this Agreement. In the event of termination of this Agreement by the Implementer, Participating Contractor will be notified of such termination in writing, and Participating Contractor will be allowed 30 days from the date of the termination to submit any remaining documentation for qualifying energy efficiency measures that have previously been installed for a customer by the Participating Contractor.

15. Participating Contractor acknowledges that the Implementer is an independent contractor with respect to Utility and the Program, and that beyond reserving incentive funds, the Implementer is not authorized to make reservations or incur obligations on behalf of Utility.
16. Any review, inspection, or acceptance by the Implementer or Utility of the project site or of the design, construction, installation, operation or maintenance of any energy efficiency measure and/or energy generation measure(s) by the Implementer or Utility is solely for the information of Utility and that, in performing any such inspection or review or in accepting an energy efficiency measure and/or energy generation measure(s), Utility makes no representation or warranty whatsoever, whether expressed or implied, including without limitation warranty of merchantability and fitness for a particular purpose, as to the economic or technical feasibility, capability, safety, or reliability of the energy efficiency measure and/or energy generation measure(s) or its installation by the Participating Contractor.
17. Participating Contractor shall defend, protect, indemnify, and hold harmless Utility and the Implementer, their respective officers, directors, agents, and employees, and each of their parents and affiliates, and each of their respective officers, directors, agents, and employees (collectively referred to as the "Indemnified Parties") from and against any and all claims, losses, expenses, attorneys' fees, damages, demands, judgments, causes of action, suits, and liability in tort, contract, or any other basis and of every kind and character whatsoever (hereinafter referred to as "claims") arising out of Participating Contractors, or its agents or subcontractors, acts or omissions incident to or related in any way to, directly or indirectly, the services, agreement and/or the Program. Participating Contractor acknowledges and agrees that with respect to any claims brought against the Indemnified Parties, Participating Contractor will be required to waive as to the Indemnified Parties any defense it may have by virtue of the Workers' Compensation Laws of any state, to the extent allowed by law.
18. In the course of participation in the Program, Participating Contractor may have access to confidential information. Participating Contractor agrees to 1) use such confidential information solely for the purposes for which it is provided; 2) not disclose such confidential information to any third party; and 3) otherwise protect such confidential information from unauthorized use and disclosure to the same extent that it protects its own confidential information of a similar nature.
19. Participating Contractor will not assign any of the rights or responsibilities arising from this Agreement to any individual or entity without first having obtained the written approval of the Implementer.
20. In no event shall the Implementer or Utility be liable to Participating Contractor, its employees, agents, or subcontractors for damages whatsoever (including but not limited to lost profits or interruption of business) arising out of the Program, or the services related to this Agreement, even if advised of the possibility of such damages.
21. Participating Contractor agrees that no marketing materials shall be created to promote the Program without prior authorization from the Implementer and Utility. The Implementer will provide approved marketing materials to Participating Contractor.
22. This Agreement shall be governed by and construed in accordance with the laws of the State of Arkansas, The Parties agree that the proper venue and jurisdiction for any cause of action relating to this Agreement will be Washington County, Arkansas, unless such cause of action is within the jurisdiction of the Arkansas Public Service Commission (APSC), in which case proper venue and jurisdiction will be at the APSC.
23. Participating Contractor acknowledges that they have read this Agreement, understand it, and agree to be bound by its terms. No modification or waiver of any provision shall be binding unless it is contained in writing signed by both Parties.



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### Tax Implications

Incentives are taxable and, if annual total is greater than \$600, will be reported to the IRS on Form 1099 unless Participating Contractor has indicated Corporation or Exempt tax status on the Participating Contractor information portion of his Agreement. Participating Contractor must provide the Implementer with its tax identification number on a W9 form. Utility nor Implementer will be responsible for any tax liability imposed on the Participating Contractor as a result of Participating Contractor's receipt of incentives. Participating Contractors and customers are encouraged to consult with their tax advisors about the taxability of any incentive payments.

### Agreement

Company:	<u>SWEPCO</u>	Company:	_____
Name:	_____	Name:	_____
Signature:	_____	Signature:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____