



FY20 SRP Business Solutions Custom Program Manual

May 1, 2019

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1.1 PROGRAM OVERVIEW

The SRP Business Solutions Custom Program provides a comprehensive platform for cost-effective non-residential energy efficiency projects not addressed by the SRP Business Solutions Standard Program. One of the primary goals of the program is to obtain quantifiable, cost-effective and persistent electrical energy savings during SRP's on-peak period that result from the installation of energy efficiency measures.

Equipment rebates result from the submission of an application which is reviewed and approved in writing by SRP. These rebates become available after measure benchmarking, installation and commissioning by the customer. Rebates are paid at \$0.10/kWh for the first year of electrical energy savings and are capped at 60% of the customer's eligible project incremental cost.

In addition to equipment rebates, service rebates in the form of energy efficiency assessments co-funded by SRP are available. Under the program, customers who meet certain eligibility criteria may receive this additional technical assistance. The purpose of the energy efficiency assessment is to technically and economically evaluate potential energy efficiency improvement opportunities within selected systems. All assessments are limited to one per customer, per program year, which runs from May 1st through April 30th of each year.

There are two phases in the assessment process: a Preliminary Assessment and a Technical Assessment. The Preliminary Assessment is offered to customers with eligible compressed air and pumping systems, data center space, or with certain eligible price plans. Customer eligibility and Preliminary Assessment funding is detailed further in Sections 3 and 4 of this manual.

Once a Preliminary Assessment has been completed and/or with written approval from the Program Administrator, the customer may choose to apply for a Technical Assessment. The Technical Assessment is a continuation in more detail of the Preliminary Assessment and provides specific measure details and estimates of costs, energy savings, and economic investment criteria. The Technical Assessment is co-funded by SRP at 50% of the cost, up to \$15,000. For customers who have completed a Technical Assessment and implemented the recommended measures identified in the approved Technical Assessment report, SRP will consider reimbursement of the remaining 50% of the Technical Assessment cost, up to \$15,000 upon verification of the savings from the implemented measures. (Hence under the program, up to \$30,000 of service rebate is available to offset customer's cost for an SRP funded Technical Assessment).

Circumstances that may indicate an energy savings opportunity include:

- Unusually high energy bills when compared to similar buildings,
- Old equipment or inadequate controls,
- Frequent occupant comfort complaints, or
- Excessive and/or recurring maintenance costs.

Customers are advised to review the comprehensive suite of SRP's program offerings to identify the most appropriate offering to meet their needs. A brief overview of available program offerings is presented in Appendix A of this manual. All program questions can be directed to the Program Administrator.

1.2 CONTACT INFORMATION

SRP has retained Nexant, Inc. as the Program Administrator for the SRP Business Solutions Custom Program. Questions about the program can be directed to the Program Administrator via:

- Web
 - www.savewithsrpbiz.com
- Telephone
 - Customer informational hotline: (602) 236-3054
 - Qualified Service Provider direct line: (602) 236-1611
- Fax - (480) 345-7601
- Email
 - Customer inquiries: savewithsrpbiz@srpnet.com
- Mail

SRP Business Solutions Custom Program
PMB # 192
4802 E Ray Rd Ste 23
Phoenix, AZ 85044-6417

1.3 MANUAL USE AND ORGANIZATION

This program manual is designed for use by customers, contractors, architecture and engineering firms, energy services companies, and equipment manufacturers and outlines the rules and requirements of the SRP Business Solutions Custom Program. The manual is organized as follows:

- Section 2 – Alliance Participant
- Section 3 – Addresses customer, measure, and cost eligibility requirements
- Section 4 – Discusses rebate information
- Section 5 – Outlines program participation steps
- Section 6 – Summarizes representative commissioning protocols

Sample program submittal forms, frequently asked questions, and other general program support information are contained in appendices at the end of this manual.

1.4 PROGRAM DATES

The FY20 SRP Business Solutions Custom Program runs from May 1, 2019 to April 30, 2020. As explained further in Section 5, all measures require pre-approval from SRP **before** purchase and/or installation, and measures are not rebate eligible if purchased or installed prior to receiving pre-approval.

2.1 ALLIANCE PARTICIPANTS

As a convenience to customers, SRP provides a list of contractors, engineers, architects, distributors, manufacturers, and other organizations (Alliance Participants) who may assist customers with SRP programs. In addition, certain Alliance Participants have been approved (as Qualified Service Providers) to assist customers by performing the Preliminary and Technical Assessments under the Custom Program. The Alliance Participants and Qualified Service Providers (QSP) are independent contractors with respect to the SRP Programs, and are not authorized to make representations or incur obligations on behalf of SRP. Participation as an Alliance Participant or QSP does not constitute an endorsement by SRP, nor does it certify or guarantee the quality of work performed.

A listing of Alliance Participants with experience in identifying project opportunities is available online at www.savewithsrpbiz.com or by contacting the Program Administrator.

To be listed as an Alliance Participant, interested firms should contact the Program Administrator and request an application. To be approved as a QSP for the Custom Program, interested firms are required to complete a Qualified Service Provider Application and Participation Agreement.

3.1 CUSTOMER ELIGIBILITY

For the purposes of SRP's energy efficiency programs, a customer is defined as a company or organization that receives electric service from SRP under an approved SRP price plan. A customer is a holder of a single account, multiple accounts in aggregate or corporate accounts. A customer who is the holder of multiple accounts or corporate accounts with a single SRP customer identification number will be considered a single customer and may participate in multiple SRP programs subject to rebate caps and program requirements.

To participate in SRP Business Solutions Custom Program (Custom Program), a customer must install qualifying measures in a SRP served facility on a qualifying SRP non-residential retail electric price plan. Table 3.1 lists eligible customer price plans.

Table 3.1: Eligible Price Plans for SRP Business Solutions Custom Program

Description	Price Plan
Time-of-Use General Service	E-32
Experimental Price Plan for Super Peak Time-of-Use General Service	E-33
M-Power for Pre-Pay General Service	E-34
Standard General Service	E-36
Standard Pumping Service	E-47
Time-of-Week Pumping Service	E-48
Standard Large General Service	E-61
Primary Large General Service	E-63
Substation Large General Service	E-65
Substation Large General Service with Interruptible Load	E-66

Customers can verify their price plan by looking on a recent bill.

Figure 3.1 shows where to find the price plan and account number on a typical SRP customer bill. Customers with questions regarding their account should contact the Program Administrator or their SRP Strategic Energy Manager.

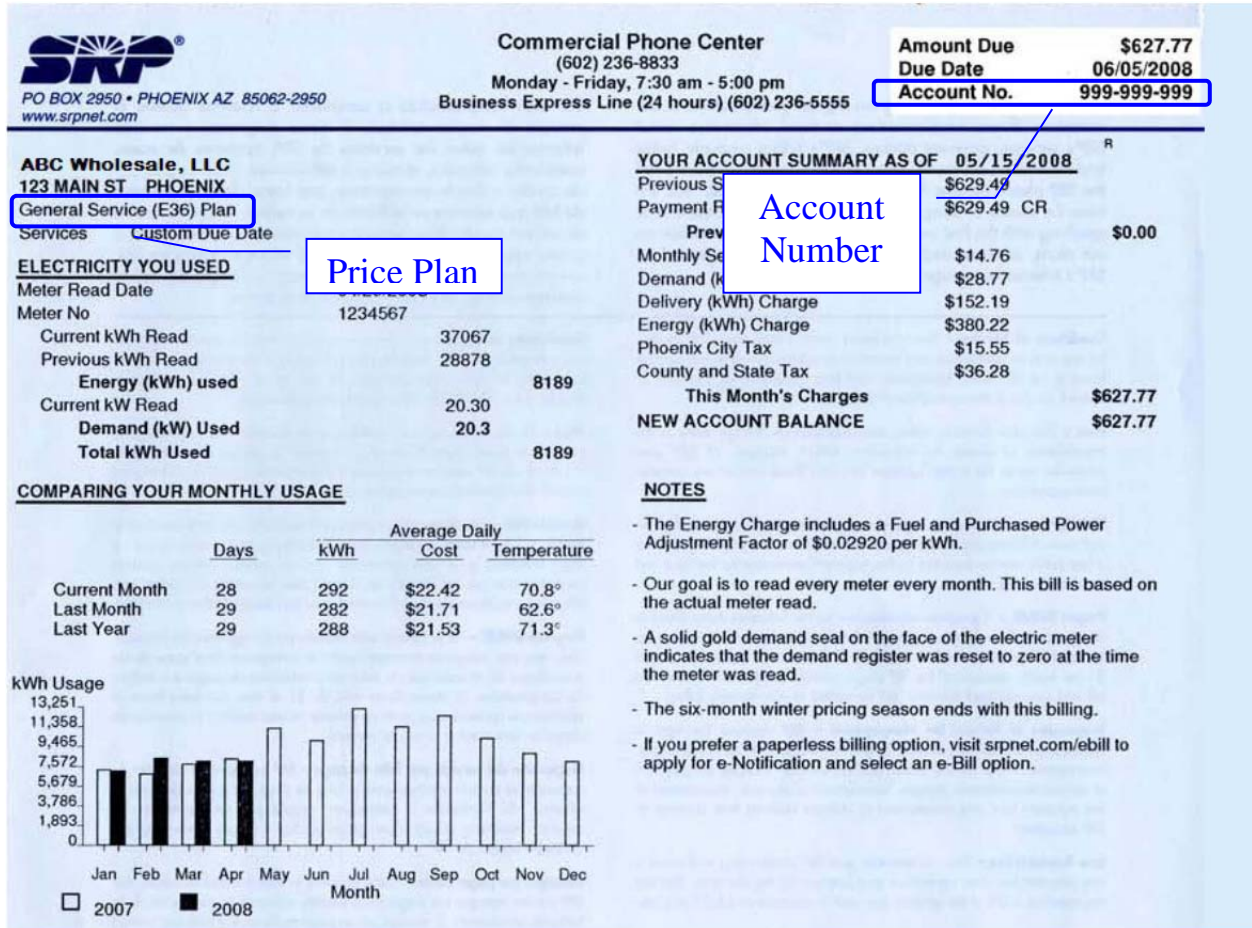


Figure 3.1: Representative SRP Electric Bill

To receive service rebate assistance (for Preliminary Assessments & Technical Assessments) through the Custom Program, customers must meet one of the below eligibility criteria shown in Table 3.2.

Table 3.2: Qualifying Criteria for Technical Assistance

Assessment Type	Eligibility Criteria
Energy Efficiency Measure (EEM) Assessment	SRP Price Plan must be either E-61, E-63, E-65, or E-66
Compressed Air Assessment	Operational and active compressed air system greater than or equal to 100 HP (not including backup units)
Data Center Assessment	Operational and active data center spaces of at least 1,000 Sq. Ft. with a dedicated cooling system.
Pump Test Assessment	Operational and active pumping systems for non-HVAC applications (municipal, agricultural, or industrial), with a motor greater than or equal to 25 HP (not including backup units).
Compressed Air Leak Assessment (only Preliminary Assessments available)	Operational and active compressed air system greater than or equal to 25 HP (not including backup units) and less than 100 HP

SRP retains the right, at its sole discretion, to make final determination of customer eligibility.

3.2 MEASURE ELIGIBILITY

The Custom Program does not explicitly specify eligible measures to provide program participants maximum flexibility in identifying potential projects. Participants may propose the inclusion of any measure that:

- Provides quantifiable energy savings (when compared to a program-approved baseline) for the hours defined by the peak period of 2 p.m. to 7 p.m. Monday – Friday, July and August. Measures that do not provide energy savings during the aforementioned period, or for which savings cannot be reliably estimated (as determined by the program administrator) prior to pre-approval, or confirmed via post-installation data analysis, may be rejected as ineligible.
- Is installed in a retrofit or new construction application
- Is shown to be cost-effective as measured by the Total Resource Cost (TRC) test perspective

Measures that are *excluded* from consideration in this program include those that:

- Are eligible for rebates through the SRP Business Solutions Standard Program
- Receive a rebate through any other energy efficiency program offered by SRP
- Rely solely on changes in customer behavior and require no capital investment
- Produce an electric energy reduction through substitution of another energy source for electricity
- Merely terminate existing processes, facilities, or operations
- Relocate existing processes, facilities, or operations out of SRP's service territory
- Are required by local, state or federal law; building or other codes; or are standard industry practice

- Involve plug loads (Except at its sole discretion, SRP may consider select types of high efficiency commercial kitchen equipment involving plug loads as eligible measures under this program)
- Generate electricity, including cogeneration or renewable energy generation

Examples of eligible measures are listed in Table 3.3. Program participants are free to propose measures not included in the table, so long as the above requirements are met.

Table 3.3: Examples of Eligible Measures

<ul style="list-style-type: none"> ▪ Constant air volume to variable air volume conversion in existing construction ▪ Installations of VFDs on existing chillers, air compressors, or process equipment ▪ Efficient manufacturing or cooking equipment exceeding industry standard practices ▪ Refrigeration efficiency improvements ▪ Central plant optimization ▪ Water-side economizers ▪ Envelope improvements ▪ Daylight harvesting controls ▪ Compressed air system improvements ▪ Pump system efficiency capital improvements
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SRP will review all measures for their eligibility and appropriateness to participate in the program. SRP retains the right to determine, at its sole discretion, eligible measures and reject applications or request additional information as necessary.

3.3 ELIGIBLE MEASURE COSTS

The Custom Program is designed to encourage electric energy-efficiency improvements that go above and beyond the efficiency gains typically achieved in replacement projects. To be considered an eligible measure, customers must incur costs as a result of installing that measure which meet program criteria. Eligible measure costs are based upon the costs incurred by the customer in connection with the evaluation, construction, installation, implementation, and commissioning of an eligible measure.

The total costs associated with an eligible measure must exceed the costs of a comparable code compliant measure as defined in ASHRAE 90.1-2010 and/or current industry standard practice. Only a customer's reasonable costs incurred to purchase and install eligible measures at the customer's facility less any discounts, rebates other than those offered from SRP, or other considerations that reduce the actual cost incurred will be considered to establish a measure's eligible costs. A customer's internal labor costs are **not** eligible in determining a measure's eligible costs.

Customers shall cooperate by providing access to documentation and related systems as is reasonably required for SRP to make a determination of eligible costs. Incremental material and external labor costs must be thoroughly documented by the customer. Examples of acceptable documentation of eligible costs include invoices, work orders, cancelled checks, and accounting system reports.

SRP reserves the right to determine, at its sole discretion, eligible costs for all affected measures, including adjusting costs for retrofit projects affecting measures significantly before the end of their useful life or for measures where codes and/or industry standard practices are not applicable.

4.1 REBATE CAPS AND AVAILABILITY

Rebate funding for the Custom Program is limited and applications will be accepted on a first-come, first-served basis until all rebate funding has been committed. After that time, Customers will be given the option to be placed on a waiting list in the order requests were received by SRP. Current availability of rebate funds can be checked at www.savewithsrpbiz.com or by contacting the Program Administrator. Customers may reserve rebate funding for the project by submitting a Rebate Reservation Request prior to purchasing and installing eligible measures.

SRP's Business Solutions programs allow customers to participate in multiple programs subject to the rebate cap established by SRP. The rebate cap is the maximum rebate amount that a customer is eligible to be paid for that program year. For the FY20 program year, the rebate cap is \$300,000 per customer for all SRP Business Solutions programs. SRP reserves the right to waive or adjust the rebate cap on a case by case basis and determine at its sole discretion the program year to which a rebate is attributed.

4.2 SERVICE REBATE: PRELIMINARY ASSESSMENTS

SRP offers customers service rebates for five different Preliminary Assessment categories to help customers evaluate and prioritize various energy efficiency projects. These preliminary evaluations focus on a predefined system or scope of energy efficiency business practices, strategies and capital improvement opportunities. The assessment offerings and the available rebates are outlined in Table 4.1. To be eligible for these service rebates, the Preliminary Assessment must be completed by a program approved QSP.

Table 4.1 Preliminary Assessment Offerings

	Assessment Details	SRP Assessment Rebate
Energy Efficiency Measure (EEM) Assessment	<ul style="list-style-type: none"> ▪ Evaluate and prioritize complex energy efficiency projects within a predefined scope. ▪ A report is provided containing an initial evaluation of energy savings and economic feasibility criteria. 	100% of QSP cost up to \$3,000
Compressed Air Assessment	<ul style="list-style-type: none"> ▪ Available for operational and active compressed air system greater than or equal to 100 HP (not including backup units) ▪ Evaluates and identifies potential energy efficiency measures within eligible compressed air systems. ▪ A report is provided containing an initial evaluation of energy savings and economic feasibility criteria. 	100% of QSP cost up to \$3,000
Data Center Assessment	<ul style="list-style-type: none"> ▪ Evaluates and identifies potential energy efficiency measures within eligible data centers. ▪ A report is provided containing an initial evaluation of energy savings and economic feasibility criteria. 	100% of QSP cost up to \$3,000

<p>Pump Test Assessment</p>	<ul style="list-style-type: none"> ▪ Evaluates existing pump system efficiency and identifies potential energy efficiency measures for eligible pumps. ▪ Customers with eligible pumping systems can receive multiple assessments on unique systems. ▪ Only one SRP funded test is allowed per pump system in a 23 month period. 	<p>100% of QSP cost up to \$500 per pump</p>
<p>Compressed Air Leak Assessment</p>	<ul style="list-style-type: none"> ▪ Available for operational and active compressed air system greater than or equal to 25 HP (not including backup units) and less than 100 HP ▪ Identifies compressed air leaks and their economic impacts. ▪ Customers with eligible compressed air systems can receive multiple assessments on unique systems. ▪ One SRP funded leak assessment is allowed per compressed air system in a 23 month period. 	<p>100% of QSP cost up to \$15/HP</p>

4.3 SERVICE REBATE: TECHNICAL ASSESSMENTS

A customer may apply for a more detailed level of technical support, or Technical Assessment, based upon the findings of the Preliminary Assessment and/or with written approval from SRP. A service rebate is available for 50% of the costs for the Technical Assessment with a maximum funding from SRP of \$15,000 per customer when completed by a program approved QSP. The QSP will provide the customer with an invoice for the customer’s 50 % shared cost for the Technical Assessment. Customer is responsible for paying the QSP directly.

A customer may also be eligible for reimbursement of their 50% share of the Technical Assessment cost if they install measure(s) identified in the Technical Assessment that satisfy minimum investment criteria as outlined in their Technical Assessment results. To be considered, eligible customers must complete all the Custom Program Participation Process requirements outlined in section 5 and submit an Installation Notice for the qualified measures. Upon approval of customer’s Installation Notice, SRP will consider reimbursement of customer’s 50% share up to \$15,000 and not to exceed a total Technical Assessment rebate of \$30,000. SRP’s total Technical Assessment rebate payment will not exceed the customer’s approved incremental cost to implement the measure(s).

A Technical Assessment is not available for systems that qualify for a Compressed Air Leak Preliminary Assessment.

4.4 MEASURE REBATES

Under the Custom Program, measure rebates are calculated using the energy savings realized as a result of installing a qualified measure. Calculations for energy savings will only consider savings from installed measures that result in a reduction in annual electric use that exceeds the code requirements outlined in ASHRAE 90.1-2010 and/or current industry standard practice for replacement measures.

Qualified measures are eligible for measure rebates paid at \$0.10/kWh for the first year of electrical energy savings following measure installation not to exceed 60% of the incremental customer cost for that measure. A customer with compressed air leaks identified as a result of a Compressed Air Technical Assessment must demonstrate that 50% of the compressed air leaks have been repaired in order to be considered for measure rebates for that compressed air system. The energy savings realized as a result of repairing the compressed air leaks identified will not be used to calculate the rebate amount.

Many custom projects require that commissioning (measurement and verification related data collection) be performed as outlined in Section 5 and 6. Commissioning data is used to validate savings and to finalize the rebate amount. The program administrator, after reviewing the preliminary application submission, will issue a pre-approval letter that describes the specific commissioning requirements for a project. There are two options for completing commissioning:

- The customer may request assistance from the program administrator to perform all necessary measurement and verification (M&V) related data collection activities. In this case, the program covers the costs for the required data collection. The associated M&V related data collection costs may be considered a rebate to the customer and could contribute toward the customer's annual rebate cap of \$300,000.
- Alternatively, the customer may choose to use internal resources for data collection, or to use their own consultant; however, costs will not be reimbursed by the program.
 - Should the customer choose to maintain ownership of commissioning, and then fail to complete the required commissioning:
 - Projects for which commissioning has been deemed mandatory by SRP will become ineligible for rebate.
 - Projects that are deemed low-risk by SRP may continue to be eligible for rebate, but the rebate shall be reduced by 25%.

If the rebate amount calculated as a result of the installed measures submitted in an Installation Notice exceeds the pre-approved rebate amount for proposed measures, SRP, at its discretion, may consider a rebate payment up to 120% of the pre-approved rebate amount, subject to funding availability.

SRP will review all savings estimates for their validity, persistence and level of commissioning activities as detailed in Sections 5 and 6. SRP retains the right to determine, at its sole discretion, final savings estimates, to specify mandatory commissioning requirements and/or to identify additional commissioning activities, and to reject or request revised applications accordingly.

5.1 OVERVIEW

This section provides information on participating in the Custom Program including the program process, required submittals, and milestones. SRP will continue to accept Preliminary Assessment Applications, Technical Assessment Applications, Rebate Reservation Requests, and Rebate Applications for the Custom Program until all funds have been committed. Subsequent, submitted applications will be placed on a waitlist in the order received should additional program funding become available. Current information about rebate funding is available by contacting the Program Administrator or online at www.savewithsrpbiz.com.

A summary of the general participation procedure for the Custom Program is shown in Table 5.1. Detailed information about the participation process is provided in the balance of this section.

Table 5.1: SRP Business Solutions Custom Program Customer Participation Overview

Participation Steps	SRP Business Solutions Custom Program
Step 1	<i>Optional:</i> Submit a Preliminary Assessment Application (if eligible)
Step 2	<i>Optional:</i> Submit a Technical Assessment Application (if eligible)
Step 3	<i>Optional:</i> Submit a Rebate Reservation Request
Step 4	Prepare and submit a Rebate Application
Step 5	Obtain written approval of Rebate Application from SRP, prior to purchasing, installing, and commissioning eligible measure(s)
Step 6	Submit Installation Notice and Commissioning Report

5.2 PARTICIPATION PROCESS DETAILS

Participation in the Custom Program involves the following basic steps:

- Step 1: Preliminary Assessment Application (if eligible)
- Step 2: Technical Assessment Application (if eligible)
- Step 3: *Optional:* Submit a Rebate Reservation Request
- Step 4: Prepare and submit a Rebate Application. (**Note: Customers that purchase, or agree to purchase by signing a purchase order, or install equipment prior to receiving approval of the Rebate Application from SRP will not be eligible for participation or rebates.**)
- Step 5: Purchase, install, and commission the qualifying measures **after** receiving official written approval from SRP.
- Step 6: Submit Installation Notice and Commissioning Report.
 - Customers who have received a Compressed Air Leak Preliminary Assessment are not required to submit a Rebate Application prior to completing leak repair activities.

Figure 5.1 shows a graphical representation of the participation process for the Custom Program for customers eligible to receive technical assistance. Additional information about each step is summarized in the remainder of this section.

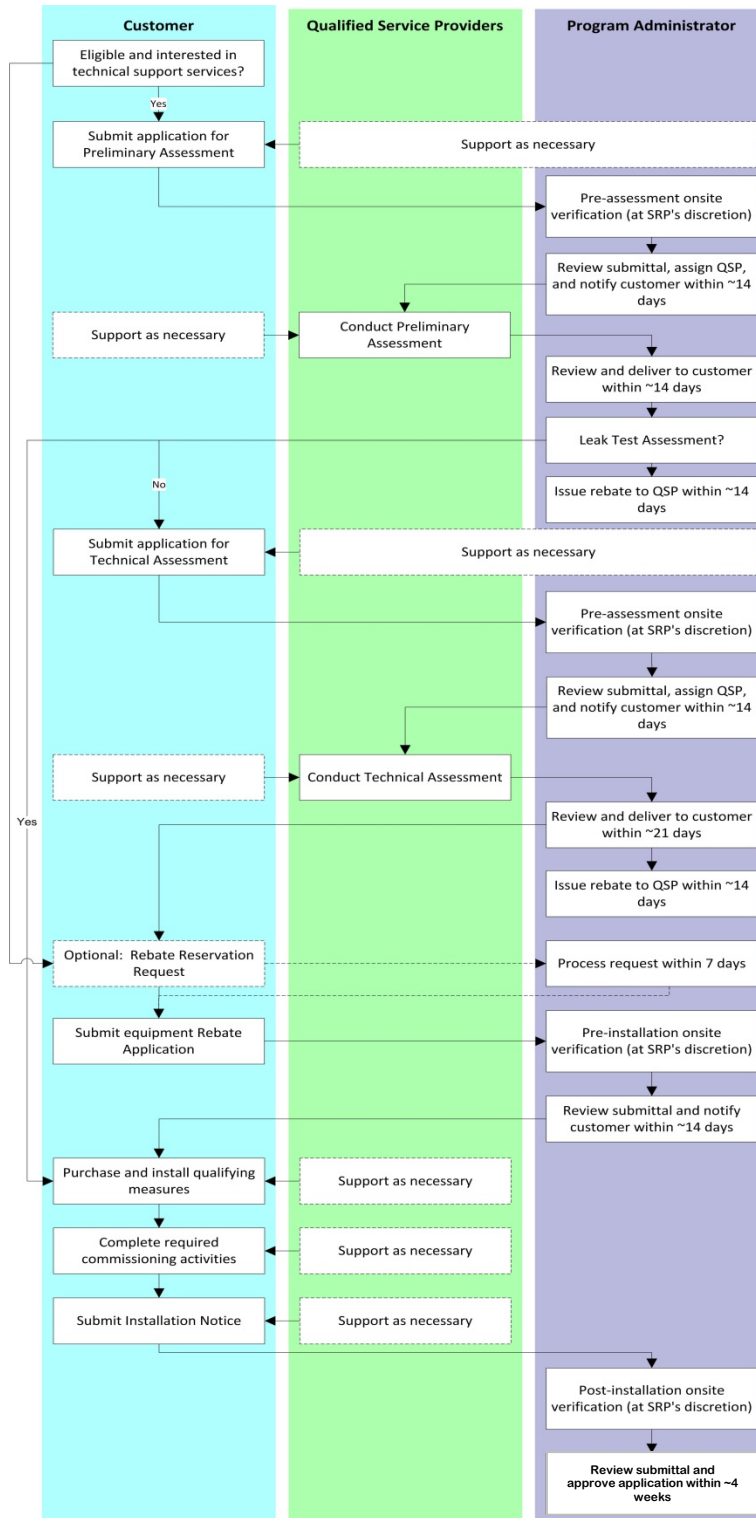


Figure 5.1: Participation Process for SRP Business Solutions Custom Program

Step 1 – Submit Preliminary Assessment Application (If Eligible)

For eligible customers interested in technical assistance, the first step in participation for the Custom Program is to apply for a Preliminary Assessment of identified measures by completing a Preliminary Assessment Application. This preliminary assessment focuses on a predefined system or scope of energy efficiency business practices, strategies and capital improvement opportunities. The Preliminary Assessment is not a comprehensive assessment and will not address measures where a rebate is available under the SRP Business Solutions Standard Program without SRP's prior written approval.

For the EEM, Compressed Air, and Data Center Preliminary Assessments, participants will receive a written report recommending general energy efficiency measures and initial estimates of costs and savings based on industry averages. The report will include recommendations on specific systems or opportunities that require more detailed assessments. These three (3) Preliminary Assessment offerings are funded by SRP up to \$3,000.

Participants for the Pump Test Preliminary Assessment will receive a summary of the pump test results documenting the existing pump system efficiency and recommendations for potential energy efficiency measures. Pump Test Preliminary Assessments are funded by SRP up to \$500 per eligible pump tested.

Participants for the Compressed Air Leak Test Preliminary Assessment will receive a summary of the identified compressed air leaks and their economic impacts within their facility. Compressed Air Leak Test Preliminary Assessments are funded by SRP up to \$15/HP of active air compressors tested.

All Preliminary Assessments must be conducted by an SRP approved QSP as assigned by the Program Administrator to be eligible for the Preliminary Assessment service rebate. A list of SRP approved QSPs can be requested by contacting the Program Administrator.

Step 2 – Request a Technical Assessment (If Eligible)

After receiving the Preliminary Assessment findings, a customer may apply for a more detailed Technical Assessment by submitting a Technical Assessment Application. The Technical Assessment includes comprehensive detail into each recommended measure and/or efficiency practice identified in the Preliminary Assessment. The report will include estimations of implementation costs, energy and demand savings, program rebates, and payback periods. A service rebate is available for 50% of the costs for the Technical Assessment with a maximum funding from SRP of \$15,000. A customer may also be eligible for reimbursement of their 50% share of the Technical Assessment cost if they install measure(s) identified in the Technical Assessment that satisfy minimum investment criteria as outlined in their Technical Assessment results.

All Technical Assessments must be conducted by an SRP approved QSP as assigned by the Program Administrator to be eligible for the Technical Assessment service rebate. A list of QSPs with experience in providing Technical Assessments is available by contacting the Program Administrator. SRP reserves the right to determine if a project can proceed directly to the Technical Assessment without first completing a Preliminary Assessment.

Step 3 – Submit a Rebate Reservation Request – (Optional)

To verify customer eligibility and reserve rebate funding for the project, customers have the option of submitting a Rebate Reservation Request prior to submitting a completed Rebate Application. Funding for projects may be reserved utilizing this request form for 60 days to allow customers time to finalize project details and submit the Rebate Application for pre-approval.

The Rebate Reservation Request requires the following information:

- Identification of the customer site(s) and customer account number(s)
- Description of the proposed scope of retrofit lighting measures and expected savings

Rebate Reservation Requests will be reviewed on a first-come, first-served basis until all program funding has been committed. SRP will review the rebate request and notify the customer of its status. Customers will typically be notified of the status of Rebate Reservation Requests by the Program Administrator within seven (7) days of receipt of a completed request form.

Customer will receive a Rebate Reservation Request Receipt Letter identifying the amount of the rebate funds that have been reserved for the customer's proposed project and the reservation deadline which is the final date for which funding will be reserved for the proposed project. Rebate Applications submitted for pre-approval with rebate amounts that exceed the reserved rebate amount will be subject to funds availability and the rebate caps outlined in Section 4.1.

Step 4 – Submit a Rebate Application

Customers must submit a completed Rebate Application to the Program Administrator and receive written pre-approval of that Rebate Application **before** purchasing or installing any energy efficiency equipment. Repairs for compressed air leaks being conducted after a Compressed Air Leak Preliminary Assessment do not require pre-approval. Upon submittal, SRP will review the eligibility of the proposed measures. **Customers who purchase, install, or sign a purchase order agreeing to purchase and/or install equipment prior to receiving pre-approval of their Rebate Application from SRP will not be eligible for rebates.**

Customers may submit a single Custom Rebate Application for projects involving a major system (such as refrigeration, compressed air, or an HVAC central plant) that includes both Standard eligible and Custom components. The Rebate Application is available for download online at www.savewithsrpbiz.com, by contacting the Program Administrator, or from participating QSPs. The application requests the following information:

- Identification of the customer site(s) and the SRP account number(s)
- Customer acceptance of terms and conditions
- Information about the installation site such as primary use and size
- Engineering calculations estimating energy and demand savings based on the efficiency of the proposed equipment compared to appropriate baseline conditions
- A proposed commissioning plan describing how the customer will ensure proper measure installation and operation, and demonstrate the level of achieved energy and demand savings. In addition, the commissioning plan will include:
 - A description of the proposed methods for calculating energy and demand savings
 - A schedule for conducting and reporting on commissioning activities as in some cases, pre-installation commissioning activities may be required to accurately estimate savings
- A work plan for measure design, implementation, operation, and management, including the anticipated project timeline

SRP may request clarification or additional information about any item in the application. Customers will have 14 days to respond to such requests. If the clarification or additional information is not forthcoming, SRP may choose to discontinue its evaluation and reject the customer's application or a proposed measure.

SRP may also conduct an inspection of the existing equipment, at their sole discretion, to verify the information submitted in the Rebate Application. The pre-installation inspection requires the presence of at least one representative of the customer who is familiar with the proposed measures and the facility so that all parties can identify any discrepancies. If the inspection cannot be completed in a timely manner because the representative(s) is unfamiliar with the facility or measures, the project site will fail the inspection and SRP may reject the customer's application.

SRP will review the eligibility of all proposed measures, the accuracy of the savings estimates, and the comprehensiveness of the commissioning plan. In general, it is recommended that the customer use the commissioning guidelines included in Section 6. However, the customer may choose to develop an alternative approach. In either case, the commissioning plan must be approved by SRP as part of the Rebate Application approval process. Commissioning requirements will vary in detail and rigor depending on the measures proposed to be installed. For each measure, the commissioning plan will be reviewed considering the predictability of equipment operation, the availability of data from similar measures, and the benefits of the chosen approach relative to its cost. Customers are responsible for conducting all commissioning activities for the project; however, SRP will work with the customers to facilitate commissioning planning requirements as necessary. Please refer to Section 6 for more information about the commissioning requirements. Customers can also contact the Program Administrator to inquire whether standardized commissioning plans are available for measures they are planning to install.

Upon completion of any pre-inspections or requests for additional information, SRP will review the application and eligibility of the proposed measures. SRP will target completing review activities within 14 days of receiving a fully completed Rebate Application and any subsequently requested supporting information. Customer will be notified in writing regarding their pre-approval status. The pre-approval notification will state the estimated rebate amount and the deadline for submitting an Installation Notice form. The estimated rebate amount is the maximum rebate amount available to the customer for the pre-approved measures. The estimated rebate amount will be reserved for the customer project until the Installation Notice deadline. Any rebate requests for installed equipment submitted after the Installation Notice deadline will be subject to funding availability and program rules at the time of submittal.

Step 5 – Purchase and Install Qualifying Measures

After receiving written rebate application pre-approval from the Program Administrator, customers may purchase and install qualifying measures. Please note rebates will not be paid for any variation in pre-approved measures including increases in quantity without prior written approval from the Program Administrator. Only the estimated rebate amounts stated in the customer pre-approval notification will be reserved until the rebate application deadline unless otherwise approved in writing by the Program Administrator.

Step 6 – Submit Installation Notice and Commissioning Report

After installation, customers must notify the Program Administrator by submitting an Installation Notice reflecting actual installed measures and a copy of dated paid invoice(s) for equipment and installation. A completed commissioning plan should be included with the Installation Notice. Any changes in project scope or equipment specifications should be noted by attaching an updated Rebate Application. If an Installation Notice is submitted after the rebate application deadline, the estimated rebate amount will be subject to rebate funding availability and program rules at the time of submittal.

Upon submittal, SRP will review the final installed measures. SRP may request clarification or additional information (including, but not limited to, manufacturer's specification sheets demonstrating equipment to be installed complies with the program requirements), if necessary, to complete the review process. Customers will have 14 days to respond to such requests. If the clarification or additional information is not forthcoming, SRP may choose to discontinue its evaluation and reject the measure(s).

SRP may also conduct an inspection of the installed measures, at their sole discretion, to verify the information submitted in the Rebate Application. The post-installation inspection requires the presence of at least one representative of the customer who is familiar with the installed measures and the facility so that all parties can identify any discrepancies. If the inspection cannot be completed in a timely manner because the representative(s) is unfamiliar with the facility or measures, the project site will fail the inspection. SRP will also retain the right to inspect the installed measure(s) up to two years following installation.

SRP will target completing review activities and issuing rebate payments for any approved measure(s) within four (4) to six (6) weeks of receiving an Installation Notice and any subsequently requested supporting information from the customer.

For purposes of this program, commissioning includes verification of the project's energy savings and confirmation that the measures are operating as intended. This requirement ensures that the predicted energy savings are being achieved and that the system's operation and performance has been optimized. Commissioning requirements are the responsibility of the customer and can be completed by internal staff or by contracting with outside parties. The commissioning plan will be required to be submitted for each project with the Rebate Application. An approved commissioning plan is required to receive the full rebate amount.

During SRP's review of a customer's Rebate Application, SRP will classify a measure based on the likelihood that the estimated energy savings will be realized and assign commissioning requirements according to the level of risk:

- **Low Risk:** For measures with a low risk of not realizing savings estimates, 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.
- **Medium Risk:** For measures with a moderate risk of not realizing savings estimates, savings values are based on engineering calculations using typical equipment characteristics and operating schedules developed for particular applications, with some spot or short-term metering.
- **High Risk:** For measures with a high risk of not realizing savings estimates or large degree of complexity, savings are estimated through the application of metering, billing analysis, or computer simulation.

Commissioning requirements will vary in detail and rigor depending on the measures installed. The level of detail and rigor of the commissioning plan is subject to the measure size, risk to rebates and estimated savings risk levels. Commissioning is required to be completed when the measure's operation cannot be verified or when specified in the commissioning plan.

Commissioning activities for low and moderate risk measures will rely heavily on manufacturer's specifications for determining equipment performance. Manufacturer's data in conjunction with simple calculations can be used to determine the electrical energy and demand savings. Spot measurements for these approaches may include measuring chilled water and/or condenser water temperatures and flows, demand measurements on motors, air-side temperature and flow measurements.

Commissioning activities for high risk measures may involve preparing an energy model to determine electric energy and demand savings as a result of interactive effects on several building systems. Another approach may involve installing an electric meter(s) on specific equipment related to the measure to measure the energy consumption. The consumption of the new equipment would be compared to one or several of the following sources of data to determine the savings:

- The predicted electric energy use/savings from the energy model
- Output energy to determine equipment efficiency
- Baseline equipment energy use that was previously installed
- An energy code baseline for new construction or major renovation projects
- If the output energy can be measured, trend data can be collected either through an existing or new Building Automation System (BAS) or with portable data-logging equipment.

SRP offers a range of energy efficiency opportunities to help non-residential customers save energy and money. Reduced energy costs, technical assistance, and/or incentives are available for qualifying customers. A summary of other available non-residential energy efficiency programs is provided below. Additional information regarding eligibility requirements, rebates, and participation processes is available at www.savewithsrpbiz.com or by contacting the Program Administrator.

SRP Business Solutions Standard Program

The SRP Business Solutions Standard Program promotes the purchase of industry-proven, high-efficiency equipment. Rebates serve to buy down the difference between the cost of high-efficiency and standard equipment, thereby making the high-efficiency equipment a more attractive option for customers. Rebates are available for qualifying lighting, HVAC, data center, building envelope, compressed air, and refrigeration measures.

SRP Business Solutions Custom Program

The SRP Business Solutions Custom Program provides a comprehensive platform for cost-effective non-residential energy efficiency projects not addressed by the SRP Business Solutions Standard Program. One of the primary goals of the program is to obtain verifiable, cost-effective and persistent electrical energy savings that result from the installation of energy efficiency measures.

In addition to equipment rebates, SRP offers eligible customers the opportunity to receive service rebates through energy efficiency assessments performed by SRP approved Qualified Service Provider (QSP). These assessments focus on a predefined system or scope of energy efficiency business practices, strategies and capital improvement opportunities, and can provide both initial and investment grade reports to assist customers in screening, evaluating and prioritizing complex energy efficiency projects.

SRP Business Solutions Small Business Program

The SRP Business Solutions Small Business Program promotes the purchase of high-efficiency lighting in small commercial and industrial facilities. Free audits are available to qualifying customers to help identify lighting efficiency opportunities. Rebates are also available to pre-approved installation contractors to buy down the difference between the cost of high-efficiency lighting and standard lighting, thereby making the high-efficiency equipment a more attractive option for customers. Rebates are available for qualifying lighting measures.

A brief listing of energy efficiency resources available on the Web is provided below.

- AHRI Online Directory of Certified Equipment. The Air Conditioning, Heating and Refrigeration Institute (AHRI) is a national trade association of HVAC equipment manufacturers. A publicly available online directory lists detailed equipment information for all certified equipment. (www.ahridirectory.org)
- Air Conditioning Contractors of America (ACCA). The ACCA is a non-profit organization representing HVAC contractors in the U.S. Current industry information and resources are available from their web site. (www.acca.org)
- Consortium for Energy Efficiency (CEE). CEE is a non-profit organization that develops national initiatives to promote the manufacture and purchase of energy-efficient products and services. (www.cee1.org)
- Department of Energy – Energy Efficiency and Renewable Energy (EERE). EERE provides information for consumers on a wide range of energy efficiency topics. (www.eere.energy.gov)
- ENERGY STAR. ENERGY STAR is a government-backed program designed to help consumers increase their energy efficiency. (www.energystar.gov)
- Electrical Apparatus Service Association, Inc. (EASA). EASA provides its members with current information on materials, equipment, and technological advances in the electromechanical industry. (www.easa.com)
- Motor Decisions Matter. Motor Decisions Matter is a nation program encouraging proper motor selection and management. The program is supported by a number of industry trade groups and orchestrated by the Department of Energy’s Office of Industrial Technologies. (www.motorsmatter.org)
- National Electrical Manufacturers Association (NEMA). The Motor and Generator section of NEMA has developed an industry standard for premium efficiency motors. (www.nema.org)
- US Green Building Council (USGBC). USGBC is composed of more than 13,500 organizations from across the building industry that are working to advance structures that are environmentally responsible, profitable, and healthy places to live and work. (www.usgbc.org)

What is the measure rebate amount?

Rebates will be paid at \$0.10/kWh for the first year of electrical energy savings, but will not exceed 60% of the incremental customer cost, as determined by SRP. To receive the full rebate amount, Customers must complete the required commissioning activities; otherwise, rebates will be reduced by 25%. Rebate amounts are also subject to caps, as described in a subsequent question.

What service rebates exist?

SRP can provide eligible customers with a Preliminary Assessment to help evaluate and prioritize complex energy efficiency measures. The Preliminary Assessment reports on an initial evaluation of energy savings and economic feasibility criteria of pre-identified systems or energy efficiency measures. Customer eligibility and assessment funding will vary based on the type of assessment selected. Sections 2 and 3 of the manual will provide further detail.

A customer may also apply for a more detailed level of technical support, termed the Technical Assessment, after the findings of the Preliminary Assessment and/or with written approval from SRP. Customer eligibility and assessment funding is detailed in Section 2 and 3 of this manual.

Are there any rebate caps?

There are two rebate caps applicable to all customers and applications:

- Rebates cannot exceed 60% of the incremental customer cost for each project.
- Total rebates through SRP's entire suite of FY20 programs to a single customer cannot exceed \$300,000 for co-funded services and approved measures

Is it required to submit a rebate reservation request after the Technical Assessment?

No, the rebate reservation request is an optional form, which will enable funds to be reserved for measure implementation. Rebate requests will be reviewed on a first-come, first-served basis until all incentive funding has been committed. Customers requesting rebates after reservation of available funding will be given the option to be placed on a waiting list in the order requests were received by SRP.

What is the difference between a preliminary assessment and technical assessment?

The preliminary assessment is a simple energy assessment, typically funded 100% by SRP. The technical assessment is an investment grade assessment, whose costs will be shared between SRP and the customer, up to \$15,000. The remaining eligible 50% cost of the technical assessment, up to \$15,000, will be paid by SRP for customers that submit an eligible Installation Notice for a measure(s) that meets the customer's minimum economic criteria for investment, as stated on the Preliminary Assessment Application. SRP's total rebate payment associated with the Technical Assessment will not exceed the customer's approved incremental cost to implement the measure(s).

Subsequent to the technical assessment, is the customer required to implement the measures?

It is not mandatory that customers implement any or all of the measures as per the technical assessment report. Customers must submit and obtain SRP's approval of the Rebate Application prior to purchasing, agreeing to purchase, or installing measures in order to receive rebates for measure implementation, except for compressed air leak repair activities being conducted after a Compressed Air Leak Preliminary Assessment.

Can customers choose a Qualified Service Provider (QSP) to conduct the preliminary and technical assessments?

Customers can request a specific QSP to conduct the Preliminary and Technical Assessments. Requested QSPs must be preapproved through the program before participating in or conducting assessments. In all other cases, Customers will be required to approve the QSP assigned by SRP.

How is eligibility determined for customers with multiple meters on different price plans at a single facility address?

For customers with multiple meters on different price plans, eligibility must be determined on a measure-specific basis. Measures are eligible only if directly supplied with electricity from a meter on an eligible price plan. Please contact the Program Administrator or your SRP Strategic Energy Manager to confirm whether measures will qualify for the Program.

Are customers eligible to participate in SRP's other energy efficiency programs and SRP Business Solutions Custom Program at the same time?

Yes, but individual measures may only receive rebates under one program. In addition, any measure eligible for rebates under the SRP Business Solutions Standard Program must be submitted through that program.

What if the equipment specifications or scope of my completed measure(s) differs from the description in the Rebate Application?

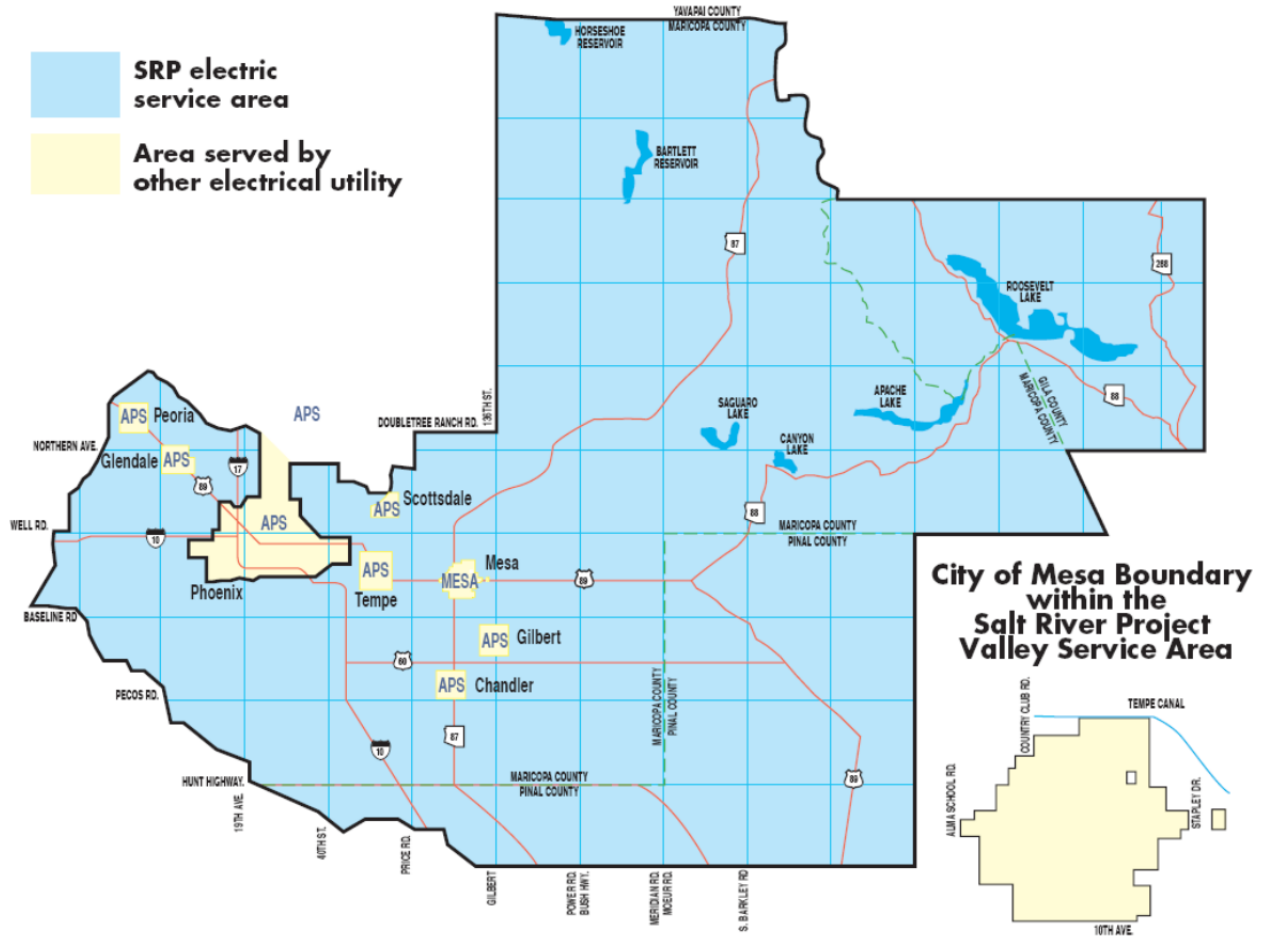
SRP recognizes that project plans and specifications may change as installations are made. Complete equipment descriptions are to be included in the final documentation sent to SRP. Rebates may exceed the amount reserved by the Rebate Application pre-approval, however, only when funds remain in the program budget and no projects have been placed on a waitlist for program participation.

Where can I find out more about this program?

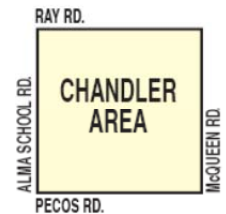
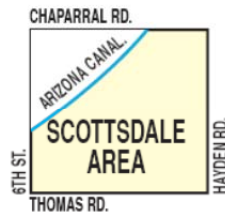
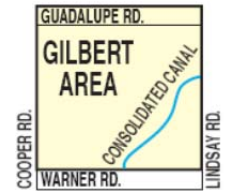
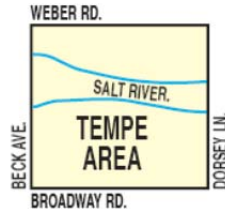
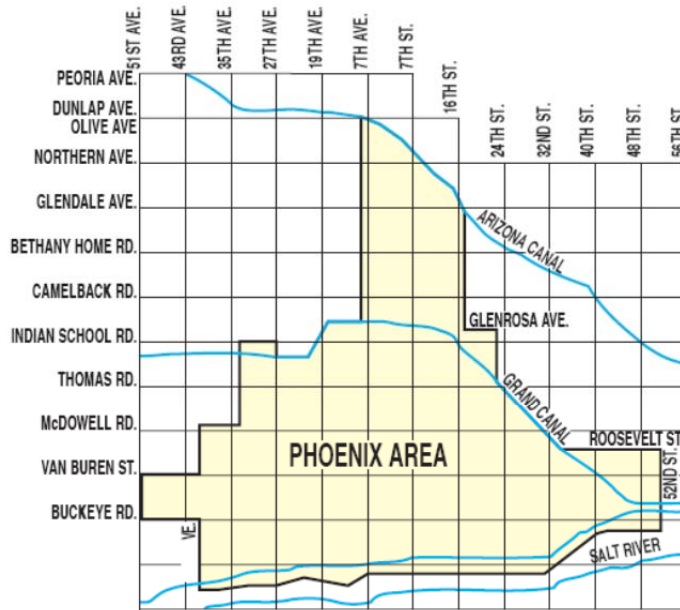
Customers can learn more about the SRP Business Solutions Custom Program and other SRP programs in the following ways:

- Web
 - www.savewithsrpbiz.com
- Telephone
 - (602) 236-3054
- Fax
 - (480) 345-7601
- Email
 - savewithsrpbiz@srpnet.com

An illustration of SRP’s service area is provided below. A more detailed map of SRP service area is available by contacting the Program Administrator.



APS Boundaries within the Salt River Project Valley Service Area





Customer hotline: (602) 236-3054

Qualified Service Provider hotline: (602) 236-1611

savewithsrpbiz@srpnet.com
