



External Policies and Procedures

2017



eastbayenergywatch@dnvgl.com

www.webtools@dnvgl.com/projects/ebew

1-800-576-6405

www.ebew.org

Table of Contents

1	Program Description	4
2	Program Dates.....	4
3	Program Eligibility	4
	3.1 Double Dipping	5
4	Customer Disclosure Obligation.....	6
5	Program Process Summary	6
6	Methods for Submitting Projects	8
	6.1 2017 EBEW Program Contractor Application Method	8
	6.2 Customer-Driven Application Method (Self-Install)	9
	6.3 Online Database Entry Method	9
7	Program Policies.....	10
	7.1 Program Approved Contractors.....	10
	7.2 Preferred Contractors	10
	7.3 Contractor Removal Policy.....	10
	7.4 Trial Period Policy	12
	7.5 Background Check Policy	13
	7.6 Confidentiality and Data Security	14
8	Title 24 Compliance and Permits	14
9	Incentive Payment Process.....	15
	9.1 Incentive Caps	15
	9.2 Collecting Measure Costs	15
	9.3 Payment	15
	9.4 Customer Co-Pay	16
10	Dispute Resolution.....	16
11	1099 Filing and Reporting.....	16
12	Contractor-Developed Marketing Materials	17
13	Equipment Specifications and Installation Standards	17
	13.1 Deemed Measures.....	17
	13.2 Custom Measures.....	19
14	MLC Early Retirement (ER) Guidelines.....	20
15	Hard To Reach (HTR) Kicker	21
16	Targeted Public Sector Kicker.....	21
17	Customer Feedback Survey.....	22

Table of Contents

18	PGE review.....	22
19	Access Agreement.....	23
20	Warranties	24
21	Limitation of Liability.....	24
Appendix A Allowable Geographic Areas and Customers to be Served by this Program.....		26
Appendix B – Customer Questionnaire, Early Retirement		28



External Policies and Procedures 2017

1 Program Description

The East Bay Energy Watch (EBEW) Program is offered by DNV GL Energy Services (DNV GL), in partnership with the Strategic Action Committee (SAC), Pacific Gas and Electric Company (PG&E), and MCE. This program offers significant cost reductions on a comprehensive package of energy-efficiency measures, for both electric and gas savings, to select business locations within the PG&E service territory (Alameda and Contra Costa Counties)¹. A free energy assessment will be conducted for the facility to identify potential energy-saving equipment options and determine the amount of potential incentives paid by the program. Independent contractors participating in the EBEW program are available to install the equipment, providing a low-hassle, simple approach to save on your energy bill.²

2 Program Dates

The EBEW Program began on January 22, 2017, with the official kick-off on February 28, 2017. Participation Agreements must be received by **November 15, 2017**. All projects must be installed and the Project Completion Form submitted to DNV GL by **October 31, 2017** for all projects with incentives greater than \$10,000 or have filed for on-bill financing and **November 15, 2017** for all others.

Available funds for this program are limited, and it is possible that all funds will be committed before the end of the program period. A wait list will be maintained for Participation Agreements signed and received by DNV GL after funds are committed. Projects must be installed within 45 calendar days of the date the work order is received by DNV GL, or upon passing pre-inspection, or October 31, 2015 whichever is first. DNV GL may cancel projects that do not meet these deadlines. DNV GL may also grant an extension to the project deadline date based on project circumstances, on a case-by-case basis.

3 Program Eligibility

Businesses must fulfill the following requirements to be eligible to receive funding:
The target market includes PG&E non-residential customers within certain geographic areas that use less than 200 kW maximum demand in the past 12 months. A customer is considered a premise³. Most of these customers could be classified as hard-to-reach (renters, less than 10 employees, and/or non-

¹ Alameda and Contra Costa County. The city of Alameda is not eligible for the EBEW program.

² The independent contractor is solely responsible for any work performed.

³ A "Premise" is generally synonymous with a customer facility's physical location, such as the address, though some facilities may have multiple addresses at the same location, such as a business campus. This is still considered one Premise if facilities are under the same customer. An individual Premise may include one building with one meter and one Service Agreement ID ("SAID"), or it may have multiple buildings, meters and/or SAID's. NOTE: A good rule of thumb is to consider all of a customer's buildings at one location as one Premise.

External Policies and Procedures 2017

English speaking), and some targeted public customers such as K-12 schools and small government buildings. Medium sized public customers with accounts where the demand is over 200 kW may also be eligible for services under the EBEW Program on a case-by-case basis. DNV GL will seek permission for program participation from PG&E's local Account Services office and PG&E Program Manager for any customers above the 200kW limit that are not on the pre-approved list provided by PG&E.

The following table summarizes the eligible target market:

EBEW	
Customer Segment	Non-residential; Municipal; Schools
Customer Size	Maximum billing demand (kW) at the customer Premise shall not have exceeded 200 kW at any time within the past 12 months
Geographic Area	Alameda and Contra Costa Counties <i>Specific cities/areas not included: City of Alameda</i>
Targeted Public Agencies	<i>School districts and public buildings that have a maximum electrical demand <200 kW annually.</i>
Hard to Reach (HTR)	<p><i>Customers that meet at least 2 out of 3 of the following criteria:</i></p> <ol style="list-style-type: none"> <i>1. Average maximum electrical demand <20 kW annually</i> <i>2. Primary language of decision maker is other than English</i> <i>3. Customer either rents or leases the facility</i> <p><i>School districts and public buildings that have a maximum electrical demand <200 kW annually and have <1000 students AND/OR ½ of the students qualify for a free meal program. Additionally, all facilities owned by a public entity and have an average maximum electrical demand <200 kW qualify.</i></p>
Restrictions*	See Appendix A

* Restricted customer types may be served with special permission from PG&E only.

Customers with self-generation capabilities: If Customer has existing on site generation or self-generation, DNV GL shall not pay incentives for energy savings that exceed Customer's annual energy usage from PG&E. KWh, kW and therm savings are limited to the previous 12 months quantity of kWh, kW, and/or therms purchased from or delivered by the utility on the meter(s), serving the equipment to be installed, for which the utility collects the PPP surcharge. The previous 12 months are defined as the calendar year prior to the date the customer submitted and signed this Program Participation Agreement (including usage from Standby Service and less savings associated with pending energy efficiency applications). This policy is subject to change with 30 day written notice to Customer.

3.1 Double Dipping

Customer understands they cannot receive Incentives for the same product, equipment or service from more than one California investor-owned utility or third party Energy Efficiency program offering Incentives for the same product, equipment, or service funded by the CPUC. This prohibition applies

External Policies and Procedures 2017

three years prior to and three years after receiving Incentives for the same product, equipment or service.

The EBEW Program requires that all Program-Approved Contractors installing any measures that are included in a PG&E Upstream Program submit confirmation that they are not using a distributor who participates in the program, or that the distributor is not passing a discount on to the Program-Approved Contractor (as outlined in the contractor application and agreement and program application).

If the customer has been a past participant, program staff will verify if the proposed measures are for fixtures that were retrofitted in the past 5 years. If so, any of these aforementioned fixtures will not qualify for rebates.

4 Customer Disclosure Obligation

California consumers are not obligated to purchase any full fee service or other service not funded by this Program. This Program is funded by California utility ratepayers under the auspices of the California Public Utilities Commission.

Los consumidores en California no están obligados a comprar servicios de cobros completos o servicios adicionales que no estén cubiertos bajo este Programa. Este Programa esta financiado por los usuarios de servicios públicos en California bajo la jurisdicción de la Comisión de Servicios Públicos de California.

5 Program Process Summary

Typically a full package submittal includes:

- 1) Signed Program Participation Agreement
- 2) Copy of Project Invoice
- 3) Copy of Completed MLC File
- 4) Equipment Specifications/Product Literature
- 5) Copy of Completed Free Ridership Form
- 6) Early Retirement Evidence (if Early Retirement is claimed)
- 7) Signed Loan agreement if includes On-Bill Financing

External Policies and Procedures 2017

EBEW Project Team	Contractor	Participating Business
Step 1 – Program Overview and Facility Survey (either DNV GL or Contractor initiated)		
EBEW may perform an inspection of the customer site, prepares a proposal, and verifies that the customer is eligible to participate. Customer approves Participation Agreement. If a proposal is initiated by EBEW, EBEW assigns a contractor based on the project needs and sends the contractor a copy of the proposal.	Contractor visits customer and proposes an implementation package that addresses the needs of the Program and the customer.	Participant will need to sign an access agreement (may be substituted by a signed Report Participation Agreement, if Contractor initiated) that gives EBEW permission to conduct the survey.
Step 2 – Project Proposal and Report Participation Agreement		
EBEW reviews changes and authorizes work if appropriate. Authorization allows contractor to print (or have EBEW send out) a work order. EBEW provides contractor with access to proposal tool on the web and/or enter proposal details into EBEW system to produce a Report Participation Agreement.	Contractor reviews proposal and, if agreeable, sets up a site visit to verify proposed measures. If there are changes to the proposal or a contractor-initiated proposal, contractor submits these to DNV GL for review.	Participant will review the Report Participation Agreement and sign it if they wish to proceed.
Step 3 – Eligibility Confirmation (Contractor Initiated Projects)		
DNV GL will obtain information from the utility to confirm eligibility.	Contractor collects consent Form from customer allowing DNV GL to obtain billing history to confirm eligibility.	Participant may need to sign an Authorization Form to Obtain Billing History.
Step 4 – Pre-Installation Inspection		
DNV GL conducts a final check to ensure that all proposed measures are feasible and appropriate. DNV GL verifies existing equipment at this time.	No action required	Participant provides access to the facility.
Step 5 – Measure Installation and Project Completion Form (see Appendix A.4)		
Contractor schedules installation services according to customer	In most cases, the measures can be installed with little or no business	In most cases, the measures can be installed with little or no business

External Policies and Procedures 2017

EBEW Project Team	Contractor	Participating Business
needs. Contractor performs installation and sends a Project Completion Form signed by the Contractor and the customer to DNV GL.	interruption. The contractor signs the project completion form when the work is finished.	interruption. Once measures have been installed, participant must sign a project completion form to confirm that the work was completed. Participant will receive an itemized invoice from the contractor for their portion of the project cost.
Step 6 – Post-Installation Inspection Step 7 – Post-Installation Inspection		
DNV GL may verify that all measures were correctly installed.	No action required	Participant provides access to the facility.
Step 7 – Final Approval Process and Final Payment Notification (see Appendix A.5)		
DNV GL notifies participant and the contractor that the project passed the inspection (if any conducted) via the final “Payment Notification Form” and if there are any project discrepancies If discrepancies occur, the contractor and customer have 14 days to clarify any changes and agree on the terms. DNV GL will request that a check be issued for the contractor’s portion of the work. Contractor shall receive this check within six weeks from the end of the Payment Notification period.	If during inspection changes were made that affect the customer co-pay, the Contractor and customer have 14 days after the date on the Payment Notification Form to contest the project completion details. Contractor receives incentive money directly from DNV GL. Contractor invoices customer for balance of the project cost.	Participant will receive an invoice from the contractor for only their portion of the project cost. The participant’s invoice will have already deducted the price of the incentive received.

6 Methods for Submitting Projects

6.1 2017 EBEW Program Contractor Application Method

This paper/pdf-based alternate application method that will include all deemed measures to be filled out during the initial audit, and can be a combined Participation Agreement and Project Completion Form. This will make submitting documents more streamlined since there are fewer pages and signatures to fill out for both the customer and the contractor, and will allow projects to become automatically approved easier. Automatic approval will be granted to projects that are **Deemed ONLY and <\$5000 in incentives**. It is highly recommended to submit applications prior to installation to confirm customer and measure eligibility and the EBEW program provides approval for installation (pre-

External Policies and Procedures 2017

inspection may occur). **The report participation agreement must be signed prior to installation** regardless of project parameters. The same application can be used for Custom Measures projects as well, but will need to be submitted for approval prior to installation. If submitting a custom lighting measures, a Modified Lighting Calculator (MLC) and specification sheets will need to be submitted for approval additionally. For early retirement (ER) projects, submittal of the ER Checklist and Customer Questionnaire will also be required along with the application (see MLC ER Guidelines and Custom Measures for further information).

6.2 Customer-Driven Application Method (Self-Install)

This method is for customers who choose to do a self-installed project and want to participate in the program to receive incentives. Much like the contractor application method, the customer will fill out the paper application with all necessary information and submit to the EBEW program for review if the incentive is >\$5000 and custom prior to installation. Once eligibility is confirmed and the EBEW program provides approval for installation (pre-inspection may occur), the customer may purchase the equipment to install, install the purchased equipment, then notify the EBEW program when complete by resubmitting the application with a detailed product invoice (labor costs are not allowed with self-installed projects) with the signed and completed project completion page. A program inspector may then visit the site to do a post inspection to verify the installed equipment. Once the inspection is complete and any discrepancies are ratified, the customer will receive a notice of payment for the incentive amount based on the incentive value for the installed measures. For projects with <\$5000 incentives, the customer may choose to install the equipment before submitting the application for review, however the customer will be accepting the risk that they and/or the installed equipment may be ineligible for incentives.

6.3 Online Database Entry Method

Contractors may choose to initiate projects by entering the project details, facility details, scope of project, and the proposed equipment to be installed into the EBEW program Database. This database can be found at webtools@dnvgl.com/projects/ebew and new projects can be entered through the contractor tab and the **2017 Database** option. This method is useful to generate total kW/kWh savings, total project and measure costs (with tax if applicable), and can help to streamline the process. Additionally contractors can provide multiple proposal options going this route, with the “versions” option on the inventory summary page. Additionally, all custom projects must be entered into the database prior to being reviewed for eligibility.

Eligible product specification or standards

Installation standards are governed by the PG&E Regional Direct Install Program Manual: Program Year 2017, as directed by PG&E’s CORE measure specifications, and Title 24 Building Code. More details are

External Policies and Procedures 2017

provided below

7 Program Policies

7.1 Program Approved Contractors

The program strongly encourages all customers, i.e. program participants, to work with a program – approved contractor. The process for becoming program-approved include:

- Completing the contractor application and agreement
 - Insurance documentation
 - Appropriate contractor licenses in California
 - Background check sign off
 - References, not required if have been a program-approved contractor for the past 2 years
- Attend a program training

Approved contractors can use our on-line database, submit applications on customer's behalf and receive payment by the program, and be a part of our network with ongoing communication and support.

7.2 Preferred Contractors

The preferred contractors are the following type of contractors:

- Resolved inspection discrepancies within 7 business days
- Adjustments occur in less than 40% of projects
 - Adjustment defined as more than +/- 20% change to project incentives
- New contractors (after trial period) may become eligible after their next set of 5 projects.

The preferred contractors will be eligible for:

- Affiliation with program logo (must have materials approved)
- Qualified program referrals (PG&E and MCE referrals)
- Receive support in closing deals
- Higher percentage of inspections waived

7.3 Contractor Removal Policy

DNV GL has found the use of trade allies to be a powerful method of leveraging resources to obtain cost-effective energy-efficiency improvements for PG&E's customers. This approach has served all participants well and has historically produced results with a high level of customer satisfaction and few complaints. At the same time, it is important to keep in mind that a poorly performing contractor may

External Policies and Procedures 2017

create obstacles for the entire program. Therefore, it is important to maintain oversight, and mitigate any difficulties as rapidly as possible. In some instances, contractors may be removed from the approved list of contractors. The following is a description of the processes and procedures the DNV GL/EBEW Program Manager will employ when reevaluating contractor participation.

Criteria for removal:

A contractor will be subject to removal based on the severity of the concern, or an accumulation of frequent, less severe concerns. All concerns that rise to the level of requiring removal of a contractor are a legal matter, a contractual matter with regards to the Contractor Application & Agreement, or a matter of professional conduct. We classify the concerns as follows:

1. Highly severe: Items that may result in financial, legal and/or other risks to DNV GL, PG&E and/or the customer. In such instances, a Contractor may be immediately removed from the list.
 - a. Evidence of fraud or misrepresentation
 - b. Failure to maintain current insurance policies
 - c. Failure to keep licenses current
 - d. Refusal to honor warranties
 - e. Violations of California or local laws; for example, those concerning hazardous waste disposal
 - f. Bankruptcy
 - g. Title 24 code compliance and permitting requirement violation
 - h. More than 2 severe warnings
2. Severe: Items where customer satisfaction may be negatively impacted if not addressed. DNV GL will give the Contractor a reasonable time limit to resolve the issue. If the issue is not resolved, the Contractor will be removed from the list.
 - a. Failure to resolve failed inspection items or customer complaints within 10 days
 - b. Work that is inconsistent with the Project Proposal (quality or quantity)
 - c. Installations not meeting Program specifications and installation standards
 - d. Data security breach
3. Administrative/Cumulative: Items where Contractor fails to adhere to stated policies and procedures and/or reasonable standards of professional conduct, and subsequently, administrative issues arise which may not be widely visible to the customer. These situations will be monitored and the contractor will be put on probation, meaning that further disregard for program policies and procedures or standards of professional conduct will result in contractor removal.
 - a. Continually submitting incomplete or incorrect documentation. A Contractor will first be given a warning. If the problem is not corrected s/he will be removed.
 - b. DNV GL receives more than 2 customer complaints a month.

External Policies and Procedures 2017

- c. Disseminating any flyers, letters or other marketing literature that references the program, DNV GL, or PG&E without prior review and approval by DNV GL.

Process:

Upon identification of an issue or concern, DNV GL will communicate the concerns to the contractor as rapidly as possible. Communication will be by phone, followed by documentation sent to the contractor and/or customer via standard mail and/or email. For Highly Severe concerns, the written document will be delivered with proof of receipt.

- DNV GL will create a written record, a copy of which will be placed in the Contractor's file.
- DNV GL will discuss potential resolutions with the Contractor and will be available for meeting with the Contractor and/or Customer to resolve the issue.
- DNV GL will copy PG&E on written communications, as appropriate.
- If a satisfactory resolution cannot be achieved, the Contractor will be removed from the list and all subsequent Program materials.

Possibility of re-instatement:

DNV GL may consider reinstating a contractor on a case-by-case basis. However, only very rare circumstances will justify DNV GL evaluating a contractor for re-instatement if removal from program was due to a Highly Severe concern.

7.4 Trial Period Policy

Approved contractors may be required to complete a trial period to participate in the EBEW Program. The trial period will require contractors to successfully complete a set amount* of projects in two phases, before being allowed to mass-market the program.

**The number of projects required for both phases of the trial period may differ from contractor to contractor, depending upon contractor performance and other factors.*

All Approved Contractors must have a full understanding of:

- The standards the contractor's work must meet to earn incentives
- The difference between facilities which can and cannot benefit from the Programs and when to "walk away" from a project
- The Program software/database, as well as the required forms and documentation needed for project approval and payment
- All contractor employees must have a designated login, and contractors are not allowed to share a single login when accessing the Program software/database.

Phase 1

Five (5) projects are to be completed from start to finish (Program Overview and Facility Survey to Final Approval and Payment). During this time, the Contractor may not submit any additional projects.

External Policies and Procedures 2017

Phase 2

Once the Contractor has satisfactorily completed the 5 projects, up to 10 additional projects may be submitted, some exceptions may apply. Each of these projects will be pre- and post-inspected.

Once the Contractor has submitted and completed all 15 projects to the satisfaction of DNV GL, they will be considered in "good standing", and will be released from the trial period. After the Contractor has passed the trial period, an unlimited amount of projects may be submitted (up to a pre-assigned threshold).

DNV GL reserves the right to revoke "good standing" status from any Contractor at any time, requiring the Contractor to:

- Discontinue unlimited submission of projects
- Return to the Trial Period
- Attend additional Program training (the first training is free, subsequent sessions will be charged to the Contractor).

If Program Guidelines are not met, or if a Contractor fails to complete the trial period, they may be subject to removal from the program. DNV GL may terminate the Contractor's status at any time upon verbal notification to the Contractor. Contractor may be allowed to complete projects where they have signed a participation agreement and/or work order and will be paid the incentive as long as the applicable program rules are followed.

7.5 Background Check Policy

Contractor shall represent and warrant all employees that may perform any work on the property of a PG&E customer, has undergone the Contractor's background investigation check and is listed in the BACKGROUND INVESTIGATION POLICY Compliance Certificate (attached). Contractor shall submit a BACKGROUND INVESTIGATION POLICY Compliance Certificate for each employee who performs any work on the property of a PG&E customer.

The Contractor will represent and warrant the following:

- It has a security background check policy which includes, at a minimum, a search using federal, state and municipal databases (e.g. Global Watch Search, National Federal Crime Search, National Crime Database, etc) to determine if an individual has been convicted of a felony or misdemeanor for any of the following crimes: arson, assault, battery, burglary, driving under the influence, domestic violence, larceny, manslaughter, murder, theft (including but not limited to identity theft) sexual crimes, multiple misdemeanor or felony drug convictions, and any crimes against children (the "Background Check").

External Policies and Procedures 2017

- Each Contractor employee that will perform any work on the property of a PG&E customer has successfully passed the Background Check and has not been convicted of any felonies or misdemeanors listed in the Background Check within the past seven (7) years.
- Contractor shall ensure that said Contractor employees shall be in compliance with the Background Check throughout the Contractor's participation during the Term of the Program and shall submit a BACKGROUND INVESTIGATION POLICY Compliance Certificate, (attached) at the start of **each calendar year**.
- Notwithstanding anything to the contrary herein, if an individual has been convicted for driving under the influence or a similar offense ("DUI Conviction") during the past (7) years, the individual may be eligible to perform work on the property of a PG&E customer provided the individual has no more than one (1) DUI Conviction within the last seven (7) years.
- **Contractor will NOT assign or permit any individual to perform work on the property of a PG&E customer that has not undergone and passed Contractor's security background check.**
- If requested by PG&E or DNV GL, any personnel to be assigned by Contractor to perform work on customer property will, prior to commencing such work, execute the necessary consents and releases to allow a third party agency acting on its own behalf to, without liability to Contractor's personnel, collect and check the criminal background and qualifications of such personnel as permitted by applicable law.
- Contractor warrants that leadership (Owner, CEO, President, etc.) have no prior conviction of crimes identified in Section 1.a above as well as any lawsuits or liens filed against Contractor or its leadership within the previous seven years.

7.6 Confidentiality and Data Security

In the course of performing services under the EBEW Program, Contractor may have access to confidential customer, commercial or personal information, matters and practices concerning, but not limited to, technology, ratemaking, personnel, business, marketing or manufacturing processes or products, and customer energy usage and billing data, which are owned by PG&E, its parent company, subsidiaries, affiliates, third parties, or members of the public, and in the custody of PG&E or those third parties. Contractor agrees not to disclose any such confidential information or otherwise make it available to any other person, including an affiliate of PG&E that produces energy or energy-related products or services, without the prior written approval of PG&E.

8 Title 24 Compliance and Permits

As part of the EBEW program contract requirements, all contractors must be aware of and follow all permit requirements that pertain to each individual project. This includes the most current Title 24 regulations. If you have any further questions or need clarification on what measures trigger Title 24, please let us know as we are more than willing to assist.

External Policies and Procedures 2017

For all rebates or incentives offered by PG&E for an energy efficiency improvement or installation of energy efficient components, equipment, or appliances, the recipient must certify that appropriate permits have been obtained and, if a contractor performed the installation or improvement, that the contractor holds the appropriate license for the work performed.

The installations contractor shall certify that appropriate permits have been obtained, if applicable, and contractor must document permit number, permitting agency, contractor name, signature and date.

9 Incentive Payment Process

The amount of the project cost to be paid by the program (incentive) is based on the number of units installed, projected electricity demand reduction and/or energy savings, and the type of retrofit. The database generated Participation Agreement will list the cost and energy (electric and gas) savings by measure and will clearly identify the portion of the total project cost that will be paid by the program and the amount to be paid by the customer. On average, it is expected the program will pay on average 40-60% percent of the proposed project costs. In certain situations, the program could pay the entire cost of the project. It is important to note that this program is on a **first-come, first serve basis** as there is limited funding available.

9.1 Incentive Caps

The EBEW program caps incentives at 100% of Full **Individual** Measure Cost, which includes labor, materials, and incidental costs for all eligible project measures. This capping rule applies irrespective of the measure type (deemed or custom).

9.2 Collecting Measure Costs

DNV GL is required to collect and report accurate material and labor costs at the measure level for all measures installed through the EBEW Program, regardless of measure type. Incidental costs may be included as a material cost.

9.3 Payment

Once the post-installation inspection has been completed by DNV GL and any discrepancies have been resolved, the final Payment Notification Form is sent to the participating business and the contractor. One week is allowed for both the business and contractor to review the Payment Notification Form only when the project fails post inspection AND there is a significant change in the customer co-pay. This period allows the customer to raise concerns regarding the project. There is no waiting period if the project passes post-inspection, or if none is conducted. Once the 1-week Payment Notification period

External Policies and Procedures 2017

elapses, or if both parties notify DNV GL in writing that there are no disputes with the Payment Notification Form prior to the 1-week period deadline, incentive payments will be made within two to four weeks.

In situations where the business installed the measures without the services of a program-approved contractor or elected to use a non-program contractor, the incentive payment will be made directly to the participating business.

9.4 Customer Co-Pay

The contractor may waive the customer co-pay. The contractor shall advise the customer that the co-pay exists on all EBEW Program forms, and that the contractor is waiving this fee.

In no case can the contractor charge the customer a co-pay that is higher than the co-pay amount specified in the Payment Notification Form for services specified on that Form.

If not database forms are used, an invoice clearly indicated to the customer that the total project cost is reduced with the program incentive.

10 Dispute Resolution

The program teams will take every possible step to ensure a high level of satisfaction with all aspects of this program. However, if any problems or concerns should arise, we encourage participants to contact DNV GL immediately at the Program Hotline, 1-800-576-6405. If the staff on our hotline cannot resolve any concern or dispute to your satisfaction, please contact the DNV GL Program Manager, Stephen Wolcott. If still unresolved then we will contact PG&E/MCE to obtain assistance in resolving the issue. Although PG&E/MCE is not involved in the design and delivery of this program, the CPUC has instructed PG&E/MCE to help resolve disputes or problems that are not satisfactorily addressed by the program staff. Finally, participants may contact the CPUC's Energy Division, if neither DNV GL, program implementers, and/or PG&E team members are able to resolve the dispute.

11 1099 Filing and Reporting

The project costs paid by this program (incentive) will have tax implications for all contractors and may have tax implications for the participating businesses whether the incentive is paid to the business or directly to the contractor. Participating business are encouraged to consult their tax experts.

Any contractor or business that directly receives an incentive payment from the program will be required to fill out Form W-9 (Request for Taxpayer Identification Number and Certification). Based on the information provided on Form W-9, a determination will be made as to whether a Form 1099 will be

External Policies and Procedures 2017

sent out. Generally, all non-corporations with total payments of \$600 or more will receive a Form 1099 by January 31 of the next year. The EBEW Program will also submit a Form 1096 (Annual Summary and Transmittal of U.S. Information Returns) to the IRS, summarizing the total dollar value of all 1099 forms issued, along with copies of all 1099 forms mailed out.

12 Contractor-Developed Marketing Materials

The EBEW Program encourages contractors to develop marketing materials to help them promote the program, however such materials must be approved prior to use in the field. Contractors should submit their materials by e-mail. Approval will be sent to the contractor via e-mail.

13 Equipment Specifications and Installation Standards

13.1 Deemed Measures

All energy efficiency products must meet PG&E's specification and installation requirements to qualify for Program incentives, including but not limited to being listed in PG&E's Qualified Products List (www.pge.com/ledqpl) for LED lamps and fixtures, as applicable. The [PG&E measure catalogs](#) provide deemed measure requirements.

If a measure qualified for a deemed measure (a list can be found on our application form or available upon request), then it only qualifies for a deemed incentive.

Custom lighting measures will continue to be eligible through Regional DI Programs under either of the following conditions: 1) the measure is claiming Early Retirement, OR 2) there is no deemed measure for the retrofit desired. A summary table outlining the DMGD policy for Regional DI Programs is shown below:

Existing Deemed Measure?	Claiming Early Retirement?	Method
Yes	No	Use Deemed
Yes	Yes	Use MLC
No	Either	Use MLC
Modified Lighting Calculator (MLC) Eligibility for Regional Direct Install: The MLC is only allowed if one of the following two criteria is met: <ol style="list-style-type: none"> 1) No deemed lighting measure exists for the desired retrofit 2) A deemed lighting measure exists, but Early Retirement is being claimed 		

External Policies and Procedures 2017

LED Replacement Lamp and Lamp Style Retrofit Guidelines

With the large number of manufacturers editing their products on the PGE QPL list, PGE has announced that they will no longer require these edits, and they will only list products that have qualified on the DLC (Design Lights Consortium) as Type A or Type C. This will be in effect as of October 1st, 2015.

All installed TLEDs must be operating with a qualified compatible external driver or electronic ballast.

Please note the following descriptions of Type A and Type C linear LED T8 replacement lamps:

- Type A Replacement lamps (UL Type A): LED Lamp Replacements with Internal Driver designed to operate on Existing Ballasts. These are commonly referred to as Plug-n-Play lamps requiring compatible electronic ballast to qualify for the EBEW rebate program. Please be aware that if the existing fixtures contain magnetic ballasts, these ballasts do not qualify and will need to be removed and replaced with approved electronic ballasts.
- Type C External Driver Lamp-Style Retrofit Kits (UL Type C): these products use lamp holders to connect to the fixture being retrofitted, they do not operate off the existing fluorescent ballast, and require the existing fixture ballast to be removed and replaced with a qualified compatible external driver.

For further information regarding the DLC process please visit the link below:

<https://www.designlights.org/content/QPL/ProductSubmit/LinearReplacementLamps>

New 2016 Troffer Measure Guidelines

All LED Troffer and Troffer Retrofit Kits are required to be on the Design Lights Consortium (DLC). Please note that **not all products listed on DLC** in these categories will be eligible. **Products must be on the PG&E Qualified Products List.**

For the 2017 program year, EBEW is accepting Troffer measures on an approval basis only. If a contractor would like to install Troffer measures, they must receive written approval prior to installation.

- Only DLC listed Luminaires and Integrated Troffer Retrofit Kits with initial light output ≥ 2200 lm and ≤ 6500 lm will qualify for a deemed rebate. LED Luminaires or Integrated Troffer Retrofit Kits that fall outside this lumen range must still go through the Custom Program.
- DLC additional tolerances on performance metrics for these product categories will be eliminated. **Products not meeting exact performance metric requirements will NOT qualify.**

External Policies and Procedures 2017

13.2 Custom Measures

The Statewide Customized Offering Procedures Manual (Statewide Manual) was written with PG&E's Custom Retrofit Incentive Program in mind and includes some items that apply strictly to the program design of that program (e.g., How the Statewide Customized Offering Works, Eligibility for Participation, Incentives and Bonus Payments, How to Apply, etc.), but it also contains policies and procedures that apply to all programs with custom measures (e.g., Qualifying Energy Efficiency Measures, Verification Requirements, etc.), including Regional DI Programs. The Statewide Manual can also be found on [PG&E's external website](#).

The EBEW Program team will review each custom measure application on a case-by-case basis **PRIOR** to approving the project for installation. The review of these measures will be based on, but not limited to, the following criteria:

- Demand and energy savings via the modified lighting calculator
- Specifications
- Inspections
- Costs breakdown by materials and labor (lift, permitting, and other such costs are categorized as labor, not materials).

Custom measures must save electricity, natural gas, or both. It is at DNV GL's discretion whether monitoring will be required by the contractor prior to payment. Contractors may be required to provide energy savings calculations for DNV GL and PG&E approval. These calculations are generated using the Modified Lighting Calculator (MLC) and it is highly recommended that the contractor receive training from the EBEW team on how to use the MLC.

It is important to note that as of January 1st 2016 the only items that will be approved for custom measures will be Early Retirement (ER), if applicable, and Linear T8 LED (TLEDs) replacement lamps. For all other measures, pre-approval must be given by and at the discretion of the EBEW team. In the case where the ballast is altered, the TLED retrofit becomes a modification which can trigger code and is no longer a lamp replacement measure.

The incentive rate for all custom measures is calculated using the Modified Lighting Calculator (MLC). Below is a table that breaks down the incentives based on kW and kWh savings, and whether the measure is basic lighting or targeted. Basic Lighting refers to Non-LED lighting (i.e. CFL, fluorescent, HID, induction) and Targeted Lighting refers to LED lighting. Important to note is the ineligibility of exterior lighting to receive the kW kicker.

Calculated (MLC) Custom Measures

Custom Rates	Structure	Non-HTR	HTR
kW Kicker	\$/kW	\$150.00	\$300.00
Basic Lighting (non-LED)	\$/kWh	\$0.03	\$0.06
Targeted Lighting (LED)	\$/kWh	\$0.08	\$0.16

External Policies and Procedures 2017

Non-1:1 Retrofits

The MLC is designed for retrofits that maintain a one-to-one ratio between existing fixtures and proposed fixtures. Non-one-to-one lighting retrofits are not eligible through the MLC. Eligible lighting retrofits through the MLC can only claim savings based on a one-to-one fixture count.

14 MLC Early Retirement (ER) Guidelines

In July of 2014, the CPUC issued formal guidance regarding the standards for claiming the early retirement of existing equipment ("Early Retirement") for the purposes of calculating energy savings in the IOU's energy efficiency programs (see *Early Retirement Using Preponderance of Evidence* document¹). This guidance included, among other things, a list criterion that may constitute a preponderance of evidence that the energy efficiency program influenced the customer to retire their existing equipment early. The expectation is that program administrators and implementers will collect as much evidence as can reasonably be obtained in order to validate an Early Retirement claim. The IOU's shall then evaluate whether the evidence provided meets the CPUC's "preponderance of evidence" standards.

The Early Retirement Checklist ("Checklist") and Customer Statement Questionnaire ("Questionnaire") have been provided by PG&E to assist program implementers by providing additional clarity regarding how to meet the CPUC's "preponderance of evidence" standards for Early Retirement claims. **The use of these two documents is limited strictly to lighting measures submitted through Direct Install Programs using the Modified Lighting Calculator (MLC).** Both the Checklist and Questionnaire are meant to help implementers better identify when a project/measure may or may not qualify for Early Retirement, as well as to provide greater consistency among PG&E's engineering reviewers when evaluating whether the preponderance of evidence is sufficient.

It is at PG&E's sole discretion to determine whether a project has provided sufficient Early Retirement evidence by considering the sum of evidence, not just one piece (e.g., a completed Questionnaire is not sufficient evidence in isolation).

NOTE: Neither the Checklist nor the Questionnaire have been reviewed or approved for use by the CPUC. Subsequently, the use of either document is subject to change or suspension at any time at PG&E's or the CPUC's discretion.

The Customer Questionnaire will be included on the new EBEW application and will need to be filled out by the customer only. With these two documents, and any other evidence that is asked of from the contractor, EBEW will review this evidence before proceeding to approve the proposal.

Customer Statement Questionnaire "Red Flags"

No individual response to the Questionnaire or individual piece of Early Retirement evidence will definitively indicate that a project qualifies for Early Retirement. **Engineering reviewers will consider the sum of evidence provided when evaluating a project for Early Retirement classification.** However,

External Policies and Procedures 2017

below are potential “red flag” responses to the Questionnaire that will create greater uncertainty and doubt for Early Retirement approval. The copy of the questionnaire is in appendix B.

15 Hard To Reach (HTR) Kicker

PG&E has established a Hard-to-Reach (HTR) incentive structure for Regional Direct Install Programs to help ensure that underserved customers are more effectively served. This HTR incentive structure is effective for Regional Direct Install projects invoiced beginning January 1, 2017. Customers eligible for the HTR incentive will, in most cases, receive an enhanced incentive beyond standard PG&E Core Program incentives. The HTR definition and validation process are outlined below.

Because HTR eligibility impacts potential project incentives for 2017 projects, contractors (with any guidance wanted from the EBEW program) shall confirm HTR eligibility *before* presenting project proposals or estimated incentives to customers.

Hard-to-Reach Definition

To be eligible for HTR incentives, the customer must meet at least **two** of the following three criteria:

- 1) **Language:** Primary language spoken is other than English
- 2) **Business Size:**
 - a. Annual electric demand is less than 20kW, and/or
 - b. Less than 10 full time employees
- 3) **Leased or Rented Facilities:** Renting or leasing facility

In order to validate whether or not a customer qualifies for the HTR incentive, they will be prompted to fill out a questionnaire. This questionnaire is to be filled out by the customer and only by the customer. The questionnaire is included in the initial application or can be provided by the EBEW team.

16 Targeted Public Sector Kicker

PG&E has established a higher incentive structure for targeted public sector customers served by Regional Direct Install Programs. This structure will help ensure that underserved public schools and local governments are more effectively served. This incentive structure is effective January 1, 2017. Targeted Public Customers will, in most cases, receive an enhanced incentive beyond standard PG&E Core Program incentives that is consistent with the hard-to-reach (HTR) incentive structure.

Targeted Public Customers

For Public K-12 Schools, the higher incentive structure targets small school districts that rarely have dedicated energy management staff and schools with a high proportion of low income students,

External Policies and Procedures 2017

regardless of size. More specifically, a public school customer is a targeted public customer eligible for higher incentives if either of the following conditions is met:

1. The Customer is a Small LEA: The LEA, or Local Educational Agency (i.e. District, County Office of Education, or Charter School), qualified as a Tier 1 or Tier 2 LEA in the most recent fiscal year for which the California Department of Education has data. Tier 1 and Tier 2 LEAs have 1,000 or fewer students, also known as average daily attendance (ADA).

AND/OR

2. Over Half of Students Qualify for Free Meals: More than half (50%) of students at the LEA are eligible for free and reduced priced meals (FRPM) as shown in the most recent year data from the California Department of Education.

If a customer meets either Condition 1 or 2 above, then all premises on the customer's bill will be eligible for the higher incentive *except* for premises with over 200 kW in maximum demand. The Implementer may obtain an exception to serve premises with over 200 kW in maximum demand, but core incentive rates shall be used.

For all other public agencies, the higher incentive structure targets small facilities regardless of location as long as they are owned by a public entity like a special district, regional government, or local government. "Small" facility is defined as having under 200 kW in maximum demand at the premise level.

17 Customer Feedback Survey

A customer feedback survey is sent at the conclusion of the project to every participant.

18 PGE review

If applicable, PG&E's and/or its consultant's may review the design, construction, operation or maintenance of the project and measures documentation to determine eligibility, incentives and approval. PG&E's review does not constitute any representation as to the economic or technical feasibility, operational capability, or reliability of the Project or its Measures. Implementer is solely responsible for the economic, technical feasibility, operational capability and reliability of the Project and its Measures.

External Policies and Procedures 2017

19 Access Agreement

Owner grants access to facility, described below as "Facility". The Owner agrees to grant DNV GL and Contractor access to Facility for the purposes of this Project. DNV GL is receiving funds from Pacific Gas and Electric (PG&E) for this Project, but Parties agree that PG&E is not liable to either Party for any losses or damages, including incidental or consequential damages, arising from this Agreement.

The following terms will govern this Project:

DNV GL and Contractor AGREE:

- 1. Owner Convenience.** To coordinate visits to the Facility with the Owner, so as to minimize any disruptions or inconvenience to the Owner.
- 2. Costs.** To bear all of the actual costs associated with performing the Project.
- 3. Confidentiality.** Not to use the names or identifying characteristics of the Owner or Owner's Facility for published project reports, advertising, sales promotion or other publicity or public disclosure without the Owner's written approval.

OWNER AGREES:

- 4. Permission.** To permit DNV GL, CESC, Contractor, or its subcontractors, to visit and monitor the Facility, and to install the Equipment for purposes of the Project.
- 5. Access.** To permit DNV GL, CESC, and Contractor reasonable access to and egress from the Facility during normal business hours to carry out the work of this study, and to direct Owner's employees and contractors to cooperate with DNV GL, CESC, and Contractor in the conduct of this study.
- 6. Confidentiality.** Not to use the names or identifying characteristics of DNV GL, EBEW, CESC, and/or Contractor for any advertising, sales promotion, or publicity, or public disclosure of any kind without prior written approval by DNV GL and/or Contractor.

BOTH PARTIES AGREE:

- 7. Incidental and Consequential Damages:** NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES.

External Policies and Procedures 2017

8. Ownership of Information. Implementer may provide the Owner with information about its findings regarding this Project, but Implementer shall have all ownership rights, including exclusive copyright ownership, in all data, reports, research results, summaries, information, or other written, recorded, photographic or visual materials (hereinafter "Information") produced and collected during the term of this agreement.

9. If Tenant. If the Facility is under lease, the Owner's tenant who controls the Facility, by executing this agreement, assumes the rights and obligations of the Owner hereunder.

20 Warranties

Participating Contractors will honor the following warranties:

- 1 year labor

Manufacturer's warranty on equipment installed as follows:

- 3 years - Fluorescent tube lamps
- 10 years – Reflectors
- 5 years – Electronic ballasts and LED fixtures/lamps
- 1 year – Compact fluorescent lamps and adaptors
- 1 year – HVAC controls
- 1 year – Occupancy sensors and photocells
- 5 years - Refrigerator Fan Controls
- 2 years - Electronically Commutated Motors
- 1 year - Other refrigeration measures

21 Limitation of Liability

Participating Service Provider must agree to carry, or cause to be carried, at all times during the course of the Program, insurance applying to all work undertaken by Service Provider, Service Provider agents, employees and any person(s) for whom the Service Provider may be liable, including, but not limited to the following:

- a) Worker's Compensation Insurance including Employer's Liability:
 - A minimum of \$1,000,000
- b) Comprehensive General Liability Insurance:
 - Combined bodily injury and property damage limits of at least \$1,000,000 each occurrence or in the aggregate

External Policies and Procedures 2017

- Coverage shall include Premises-Operations, Contractual, Broad Form Property Damage, Independent Service Providers, Personal Injury and Products/Completed Operations coverage
 - Insurance will remain in force for a period of at least two years after final acceptance of the work by DNV GL
- c) Automobile Liability:
- Coverage shall include owned, non-owned, and hired automobiles with combined bodily injury and property damage limits of at least \$1,000,000 per occurrence

DNV GL is receiving funds from PG&E to implement the EBEW Program, but parties agree that PG&E is not liable to either party for any losses or damages, including incidental or consequential damages, arising from any Participation Agreement. Furthermore, PG&E makes no representation or warranty, and assumes no liability with respect to quality, safety, performance, or other aspect of any design, system or appliance installed pursuant to any Participation Agreement, and expressly disclaims any such representation, warranty or liability.

BOTH PARTIES (CUSTOMER and DNV GL) AGREE:

Incidental and Consequential Damages: NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES.

External Policies and Procedures 2017

Appendix A Allowable Geographic Areas and Customers to be Served by this Program⁴

This Appendix describes the Measures that Implementer may install and the Customers and geographic areas (within the Service Territory). Implementer shall not install any other Measures or serve any other Customers under this Program without the prior written approval of the PG&E PM.

Implementer understands there are other implementers, including PG&E, local governments, other affiliates and similar third party implementers that may include the same Measures, Customers, and geographic locations.

For the purpose of avoiding Customer confusion, ensuring satisfaction, and avoiding duplication and overlap of services among the Program and offerings of other implementers, Implementer shall abide by the assignment of Customers, geographic area and Measures as described below. PG&E reserves the right in its sole discretion to amend these assignments during the course of the Program. No deviation from these assignments is permitted without the prior written consent by the PG&E PM.

Eligible Customers:

Implementer may serve the following Customers:

- Municipal customers, including but not limited to cities, counties, special districts, and K-12 public schools.
- Small and Medium Businesses (SMB) - including non-profit organizations. SMB customers are defined as non-residential customers with an annual maximum peak demand of less than 200 kW.

Any exceptions to this list of eligible customers must be approved in writing by the PG&E PM.

Eligible Geographic Area:

Implementer may serve customers in counties of Alameda and Contra Costa within PG&E's service territory.

Allowable Measures: All eligible Core Deemed, Core Calculated and Direct Install measures must be consistent with the Custom Policies and Regional Direct Install Program Policies.

Excluded Customers

Implementer shall not serve the following Customers unless authorized by PG&E PM.

⁴ From CWA Attachment 1.

External Policies and Procedures 2017

1. Lodging – Customers in the Lodging market sector defined here as businesses that offer overnight accommodations (NAICS 72111x, 72119x, 7213xx). PG&E is currently considering opening up a portion of the Lodging market to Regional Direct Install programs. PG&E may issue an update to this exclusion in the future.
2. Colleges – Customers in the college market sector (NAICS 6113xx) including private schools.
3. Supermarkets and Groceries – Implementer will only address neighborhood, privately owned supermarkets and grocery stores (NAICS 445xxx) up to a Maximum Demand of 200 kW who do not have existing multiplex refrigeration systems and do not have more than 10 stores total located within PG&E's service area. For customers in this segment whose refrigeration equipment includes multiplex systems, no services will be offered.
4. Furniture and Retail Stores – Customers in the furniture store market sector (NAICS 4232xx, 442xxx) and retail sector with Maximum Demand greater than 200 kW or that have more than 10 stores total located within PG&E's service area.
5. Wineries – Customers in the winery market sector (NAICS 31213x), unless the customer meets the following three conditions:
 - a. The customer must have a demand of 200 kW or less within the past 12 months.
 - b. The savings opportunities are lighting and refrigeration measures only. If there are other technologies that the customer is interested in, the customer should be referred to the PG&E WIES Program.
 - c. The customer is not currently being served by WIES, per PG&E PM confirmation.
6. Waste Water Treatment Plants -- Customers in the wastewater treatment market sector (NAICS 22132x).
7. Tribal Casinos – Customers in the tribal casino market sector (NAICS 7132xx and 72112x) except for non-Casino related tribal facilities (e.g., small business on reservation can be served by Regional Direct Install)
8. Dairies – Customers in the dairy market sector (NAICS 11212x, 3115xx).
9. Medical Facilities - Customers in the medical facilities market sector include nursing homes, medical office buildings and hospitals on an E19 rate schedule or that are part of one of the larger health organizations e.g., Kaiser, VA, Sutter and Catholic Healthcare West.
10. Common Area of Mobile Home Parks.

External Policies and Procedures 2017

Appendix B – Customer Questionnaire, Early Retirement

Question	Option 1	Option 2	Option 3	Option 4	Option 5
1 Are your existing lights currently operational?	<input type="radio"/> Yes	<input type="radio"/> No			
2 How old are your existing light fixtures?	<input type="radio"/> 0–5 years old	<input type="radio"/> 5–10 years old	<input type="radio"/> 10–15 years old	<input type="radio"/> >15 years old	<input type="radio"/> I don't know
3 How would you describe the condition of your existing lighting system? Choose one answer	<input type="radio"/> Good condition	<input type="radio"/> Fair condition	<input type="radio"/> Poor condition		
4 Without this program, when would you likely upgrade your lighting equipment?	<input type="radio"/> <1 year	<input type="radio"/> 1–3 years	<input type="radio"/> 3–5 years	<input type="radio"/> 5+ years	
5 What is your primary reason for considering this lighting upgrade project? Choose one answer	<input type="radio"/> Remodeling	<input type="radio"/> Program incentives	<input type="radio"/> Company sustainability requirements	<input type="radio"/> Save energy	<input type="radio"/> Replace faulty equipment
6 Can the lamps and ballasts currently installed in your facility be purchased in the market place today?	<input type="radio"/> Yes	<input type="radio"/> No	<input type="radio"/> I don't know		
7 If you answered "no" to the above question, do you have replacement equipment of the same type in your own stock/inventory?	<input type="radio"/> Yes	<input type="radio"/> No			
8 What is your normal practice when it comes to replacing your lighting equipment? Choose one answer	<input type="radio"/> Replace only when equipment fails	<input type="radio"/> Replace only when remodeling	<input type="radio"/> Group re-lamping/ re-ballasting	<input type="radio"/> I rarely upgrade my equipment	
9 How long would it normally take you to undertake a project of this kind on your own (including planning, management approval, equipment ordering, and scheduling)? Choose one answer	<input type="radio"/> 0–6 months	<input type="radio"/> 7–12 months	<input type="radio"/> More than 1 year	<input type="radio"/> I wouldn't do this without this program	