Application Instructions

Introduction

The Energy Efficiency for Business Program provides incentives to nonresidential customers of Duke Energy Progress Carolinas to purchase and install equipment and/or systems that result in a reduction of electrical energy for a facility, as measured in kWh at the meter. These instructions provide basic guidance on the completion and submittal of the appropriate documents necessary for the review and approval by Program personnel. Applicants are urged to download and review the Policies and Procedures Manual for complete details on the requirements of the program. It is located at:

https://www.progress-energy.com/assets/www/docs/business/cig_policies_procedures.pdf

Applicants may also contact Program personnel toll free at 1.866.326.6059, or by email at carolinasbusiness@dnvkema.com for more information.

Program Eligibility

The program is available to applicants that purchase qualified energy-efficiency measures and have these measures installed in a facility that receives electric distribution services from Duke Energy Progress Carolinas. The facility must have at least one meter on one of the following nonresidential rate schedules: SGS, SGS-TOU, MGS, SI, CH-TOUE, GS-TES, APH-TES, LGS, LGS-TOU, LGE-RTP, CSG or CSE.

Overall Process

Applicants must provide application forms and other documentation to Program personnel that meet the requirements of the Program to qualify for an incentive. The basic documentation to be provided for most applications would be a completed "Application Agreement" form, completed worksheet(s) showing what was installed, and a copy of a final invoice that shows what was purchased and installed. Once the final submittal application and documents have been reviewed and approved by Program personnel, the incentive check is mailed, usually within 6 – 8 weeks. The following sections provide more details on the overall process of submitting an application.

A project may require that Program personnel perform a pre-approval or inspection of the facility and/or equipment prior to installation. This requirement, if applicable, is noted on the individual measure worksheets (or in the Policies and Procedures Manual). Below are instructions for completing applications for either a Pre-Approval, or a Final application.

The Program provides two basic types of incentives – prescriptive and custom. A prescriptive incentive is for an energy conservation measure that has already been identified as valid, and has a set value for the incentive. If the application is for a measure that is not identified in the attached worksheets as prescriptive, then the measure may be submitted for consideration as a custom project. Each custom project must be reviewed and approved by Program personnel, and must meet the following basic criteria: 1) the projected savings must be validated either by calculations or by measurement, and 2) the simple payback (installation cost divided by the first year's electrical energy savings) must be greater than 1 year and less than 7 years. The application submittal process for custom projects is similar to that of a project requiring pre-approval, with the exception that a Custom Worksheet must be submitted with the application.

Pre-Approval required (prescriptive or custom)

1. Submit an Application Agreement form, noted as "Pre-Approval," along with applicable documentation, which would include cutsheets or other information about the equipment or systems to be installed. Custom projects must include savings and payback calculations.
2. Program personnel may inspect facility and/or equipment and provide approval.
3. Obtain a funding reservation letter.
4. Purchase and install measures.
5. Submit an Application Agreement form, noted as "Final," along with applicable documentation, and copies of invoices showing material and equipment purchased. Post inspection may be required.
6. Receive incentive payment 6 – 8 weeks after final approval.

07312013

Pre-Approval not required (prescriptive only)

1. Purchase and install measures. NOTE: even if pre-approval of a project is not required, one may still submit a Pre-Approval Application to Program personnel for review and approval prior to purchase and installation of measures, if desired.
2. Submit an Application Agreement form, noted as "Final," along with applicable documentation, and copies of invoices showing material and equipment purchased.
3. Receive incentive payment 6 – 8 weeks after final approval.

Pre-Approval Application

The Pre-Approval Application consists of an Application Agreement form, marked as "Pre-Approval," one or more completed energy-efficiency measure worksheets, and equipment cutsheets or other relevant data that would be required to review and approve the project. Project personnel reviewing the application may request more information as needed to process the project.

Project personnel may contact the Contractor, or Owner's representative (as noted on the form), to arrange for a site visit to inspect existing conditions, and to confirm the equipment and conditions prior to implementing the energy conservation measures.

The application forms identify specific measures and projects where a Pre-Approval Application is required to allow for Program personnel to verify existing equipment and other baseline conditions. Failure to submit a Pre-Approval Application when required may result in disqualification.

Funding Reservation Letter

Applicants that submit a Pre-Approval application will receive a Funding Reservation Letter suggesting that the proposed measures are likely to qualify for an incentive and that funding for the incentive is currently available. The Funding Reservation Letter may contain various conditions such as a maximum incentive amount and a time limit to complete the project. The Funding Reservation Letter simply reserves funding for the applicant. The letter does NOT guarantee, in any manner, that the proposed measures will be eligible for an incentive or that a specific incentive amount is promised. The eligibility of each measure and the amount of incentive will be determined only after the Project Final Application is submitted.

Final Application

The Project Final Application consists of an Application Agreement form, marked "Final," one or more completed energy-efficiency incentive worksheets, and copies of invoices showing materials or equipment installed as part of the project. The Application Agreement Form must also include a Third Party Incentive Authorization form when the applicant has directed the incentive check to be sent to a third party.

- A federal W-9 form must be included with the Final Application.
- The Final Application should be submitted for projects that did not require a pre-inspection by Program personnel (no Pre-Approval application required).
- The Final Application should be submitted within 90 days after the measures are installed and operational. Failure to submit within 90 days could result in disqualification for the incentive.

Program personnel may request documentation from the applicant to verify measure eligibility and costs. Applicant should be prepared to provide copies of a final invoice that provides sufficient itemization to assess which measure were installed and the amount paid for the installed measures. Applicant should also provide copies of product specification sheets when necessary to prove that the installed equipment met the required specification for the incentive. Applicant should also expect to provide documentation on assumptions and calculation methods used to estimate savings for custom incentive projects. Program personnel reserve the right to request additional documentation as deemed necessary to verify eligibility, costs, and estimated savings.

07312013

Application Tips

The following tips may assist in the review and approval of the application:

1. Submit information on any new equipment to Program personnel for review and approval prior to purchase if it is unclear if the equipment meets the requirements of the Program.
2. Provide data or cutsheets on all equipment when possible.
3. Paid invoices should clearly list all equipment purchased and installed, along with quantities and part numbers.
4. Provide W-9 form.
5. Customer signature must be on pre-approval and final approval application forms.
6. Provide separate calculations for total watts reduced, or for watts controlled by occupancy sensors.
7. If the application involves measures located in multiple spaces or areas of a facility, a breakdown of measure by area would be helpful. For example, list lights changed out by room or area.
8. Ensure all entries are legible, and required entries in the forms have been completed.
9. If using the Interactive PDF Application form, note that you can access the various forms by clicking on the section name in the Table of Contents. You do not need to print or forward any worksheets that do not apply to the project.
10. Review the Checklist provided on the next page prior to submitting an application to ensure that the application is complete and ready for review.
11. If a Contractor or other third party is responsible for the installation of the project measures, ensure that the
    "Contractor" name and contact information is provided for an individual who is knowledgeable about the project.
12. Ensure that the Owner has read and understands the "Terms and Conditions" associated with the application before submittal.

07312013