

PPL's Business Energy Efficiency Program

Direct Discount for Small Commercial & Industrial

2018 Program Manual

PPL Electric Utilities

Business Energy Efficiency Program
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PROGRAM OVERVIEW

Program Description

The Program targets small commercial and industrial customers of PPL.

The Small Commercial and Industrial (SCI) Direct Discount Program helps small business and industrial customers achieve significant, long-term electricity savings by increasing the energy efficiency of their facilities and equipment. Upon completion of a program-provided assessment, customers receive a detailed report listing measure recommendations and project financial data.

To meet the Program savings goal, CLEAResult will implement a “direct contact” approach that allows the Program team to leverage existing relationships with contractors and customers and form new ones. Participating contractor recruitment will be our primary way of recruiting participants. Because contractors are extremely knowledgeable about qualifying measures and have proximity to the local market, they are able to relate to the customers and convey the benefits of high-efficiency technologies.

Program Objectives

The program is designed to achieve the following objectives:

- Identify cost-effective options to improve the efficiency of existing facilities.
- Reduce energy costs for participants.
- Transform the market over time by addressing these specific barriers that hinder adoption of efficient technologies and practices for small commercial and industrial customers:
 - “First cost” barriers and lack of access to capital
 - Lack of energy efficiency education and program awareness
 - Lack of participant understanding about measure payback
 - Lack of easy access to qualified vendors/installers
 - Absence of tools to quantify savings and streamline participation
 - Split incentives between owners and tenants in leased spaces
- Educate participants on efficient technologies and the non-energy related benefits of efficient technologies (i.e., longer life of the unit, maintenance savings and cost-effectiveness).
- Provide a suite of educational and supporting services for customers and contractors to promote the implementation of energy efficiency measures.
- Create a simple and streamlined program process to stimulate participation from both Direct Discount customers and contractors.
- Develop a trained group of installation contractors capable of providing high-quality energy services in the market.

Program Management & Contacts

Main program contacts:

LISA GRAYSON ZYGMUNT, Program Manager

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Program Dates

The program runs from January 2 through December 31 annually, and can be withdrawn at any time.

Program Roles & Responsibilities

Program Sponsor (PPL)

PPL is responsible for:

- Providing the Program Implementer, CLEARresult, with the necessary incentive funds
- Overseeing CLEARresult activities
- Providing Customer electrical usage information

Program Implementer (CLEAResult)

CLEAResult, as the Program Implementer for the PPL SCI Direct Discount Program, will:

- Plan and design the Program
- Market the Program to participants and contractors
- Approve customer eligibility and enrollment
- Train participating contractors
- Maintain a database of all necessary program information
- Conduct quality control and quality assurance activities
- Provide technical assistance and project recommendations to participants
- Conduct pre- and post-site visit verifications in accordance with QA/QC Manual
- Ensure each completed project meets program requirements
- Issue incentive checks to contractors
- Track and report on program success and lessons learned

Participating Contractor

Participating Contractors must:

- Participate in Program training.
- Make a good faith effort to promote participation in the Direct Discount Program
- Respond to customer requests in a professional and timely manner
- Perform all work to the required standards of the Program
- Install products that comply with the Product Quality Requirements included in the QA/QC Manual
- Conduct energy surveys
- Submit complete project applications and supplemental documentation
- Submit a new application and customer agreement if the scope of work changes from original submission (quantity and/or product)
- Coordinate installations/manage workflow to assure timely installations
- Provide Program Implementer with feedback on the Program
- Contract shall not use the PPL or implementer trademark without written approval by respective entity

Participating Contractors Workflow:

1. Customer is identified by either CLEAResult or Participating Contractor.
2. Participating Contractor performs site assessment. Participating Contractor presents eligible measure summary to Customer.
3. Customer selects eligible measures for installation.
4. Participating Contractor delivers Project Agreement to Customer for signature.

5. After Customer completes Project Agreement, Participating Contractor submits project documentation, including completed Project Agreement, thorough online web portal to CLEAResult for review and approval. Project documentation includes:
 - a. Line item invoice describing quantity, make, and model for each installed efficiency measure, as well as labor costs.
 - b. Equipment data sheets for all installed equipment.
 - c. DLC screen shots for all installed equipment.
 - d. Photo documentation of pre-installation lamp and ballast for all retrofit light fixtures, lamps and ballasts.
 - e. W9s for Customer and Contractor
 - f. PPL Bill for Customer
6. CLEAResult will perform pre- and post- site verifications visits of a minimum of 5 projects with option to perform more.
7. CLEAResult reviews documentation and issues Rebate Reservation/Notice to Proceed to Participating Contractor.
8. Participating Contractor implements the measures and completes the installation (and provides all final required documentation within 90 days from the Rebate Reservation/Notice to Proceed.
9. If the scope of a project changes, a new Proposal /Agreement will need to be generated, signed by the customer and submitted with new/additional documentation
10. Within 48 hours of project completion, Participating Contractor must notify CLEAResult that the project has been completed.
11. CLEAResult reviews invoices, verifies the completed scope of work and performs a final site visit verifications (minimum 5 projects, with ongoing at Program discretion).
12. CLEAResult issues incentive check to Participating Contractor.

Notes:

- Should the contractor identify any measures or other work that is not eligible within the SCI Direct Discount program, the contractor may elect to propose such measures or work to the customer under a separate contract, outside of the SCI Direct Discount program, utilizing any eligible rebates and incentives from other energy efficiency programs offered through the PPL Energy Efficiency Program.
- The contractor shall make every reasonable effort to identify upfront any deficiencies with respect to the existing conditions or existing equipment in the facility, related to the installation of the proposed energy conservation measures, which would impact the contractor's ability to perform the work cost-effectively.
- Contractor is asked to identify all eligible Direct Discount measures (refrigeration, compressed air, and lighting) at customer location regardless of the work being proposed by given contractors.

Participating Customer (Participant)

Participants will be asked to:

- Provide access to project facilities both before and after project completion for site visit verification of the baseline and post-retrofit condition.
- Agree to terms and conditions of the Program
- Provide reasonable access to installing contractors

PROGRAM ELIGIBILITY

Participant Eligibility

PPL's Small Commercial and Industrial accounts with **GS-1 and GS-3 Rate Codes** are eligible to participate in this Program.

PROGRAM INCENTIVES

Measures & Incentive Levels

Funding is available to pay incentives for energy efficiency projects in eligible small commercial and industrial facilities (GS -1 and GS-3 Rate Codes). Incentives are based on actual savings and are calculated on a project-by-project basis. Maximum incentive is 80% of the Total Project Cost dependent on total kWh savings. Incentives are available for selected lighting and non-lighting measures that are covered in the Pennsylvania Technical Reference Manual. Efficiency measures that will be covered in the Program are listed below. Note that the list below is not exhaustive.

NOTE:

- Lighting: linear T12 to T8 and LED tube retrofit (lamp and ballast) and screw in bulbs **are not** eligible for Direct Discount.
- **All LED products must be DLC or Energy Star certified products.**
- Measures that are installed in projects that have received incentives from any other PPL energy efficiency program **for the same measure are not eligible** for Direct Discount rebates.

Lighting Measures

- Interior LED fixture only, **No lamps**
- All HID and wall-packs lighting being converted to LED do qualify for the program
- LED refrigerated case lighting (fixtures only)
- Exit signs (incandescent to LED)
- Lighting controls (wall mount and ceiling mount)
- Control-only projects not allowed

Refrigeration Measures

- High efficiency refrigeration/freezer cases
- High efficiency evaporator fans motors for reach-In cases
- High efficiency evaporators fan motors for walk-In cases
- Strip curtains for walk-In freezers and coolers
- Suction pipe insulation for walk-In cooler and freezers
- Door gaskets for walk-in and reach-in coolers and freezers
- Evaporator fan controllers

Refrigeration Measures

- Controls: floating head pressure control
- Controls: anti-sweat heater controls
- Controls: evaporator coil defrost control
- Variable speed refrigeration compressor
- Night covers for display coolers
- Auto closers
- Special doors with low or no anti-sweat heat for low temperature cases
- Refrigeration cases with doors replacing open cases
- Adding doors to existing refrigeration display cases
- Automatic door closers for walk-in refrigerators
- EC evaporator fan motor replacement for walk-in and reach-in refrigerators
- Anti-sweat heater controls for glass refrigerator doors

Compressed Air Measures

- Cycling refrigerated thermal mass dryer
- Air-entraining air nozzle
- No-loss condensate drains
- Air tanks for load/No load compressors

General

- A participant may submit multiple Direct Discount application per PPL account number for different measures
- A participant may agree to install additional measures however, only pre-approved measures will receive Direct Discount Program incentives. Other measures may fall into other parts of the PPL Energy Efficiency Program.
- Applications are accepted until all funding is utilized. The incentive is payable upon completion of the project (as described in the project application). Applications will continue to be processed until Program funding is fully subscribed. The process for oversubscription is included in the Limits on Participation section.
- Program incentives will be paid directly to the Participating Contractor after the project is completed, documented and verified. Checks will be issued after project verification.
- No participant has an unconditional entitlement to Program incentive funds.

Savings Calculations and Verification

The Program will provide post-site visit verification, savings calculations and other verification activities. All products installed that receive Program incentives must meet the Product Quality Requirements outlined in the QA/QC Manual and comply with the Pennsylvania TRM.

All projects installed are subject to a post-installation verification to verify:

- Measures installed per Work Order
- Quality of Installation
- Customer Experience

Non-Cash Incentives

The Program seeks to help small commercial and industrial customers by helping them understand their energy use and giving them access to technical knowledge and support. The Program offers direct participant assistance and connects them with qualified contractors to perform measure installations. Additionally,

- Program representatives work with each participant to define specific obstacles that inhibit adopting more energy efficient equipment or practices.
- The Program provides technical supports to help participants identify and evaluate energy efficiency opportunities in order to determine which projects are viable and will achieve maximum savings.

PROGRAM IMPLEMENTATION AND DELIVERY

Key elements of the Program implementation strategy include:

- **Contractor training:** Prior to beginning any projects, each contractor will be required to participate in training sessions, which will cover Program incentives, participation processes and requirements, etc.
- **Participant recruitment:** The PPL/CLEAResult SCI Direct Discount implementation team will support SCI Direct Discount contractors recruit participants.
- **Technical assistance:** Program staff will guide participants and contractors through the participation process to minimize misunderstandings and overcome barriers to participation. Program staff will also provide technical support to participants who need help identifying measures or implementing determined measures.
- **Project buy-down:** The incentive will cover up to 80% of the project cost for incentivized measures (dependent on total kWh savings of project).
- **QA/QC:** Incentive applications will be subject to a quality assurance review by Program technical staff to ensure accuracy of savings and incentive calculations. The post-site visit verification process and customer satisfaction surveys will be integral to the QA/QC process and all installations must meet applicable installation standards set forth in the QA/QC Manual.
- **Project verification:** PPL and CLEAResult reserve the right to site-verify installations prior to project approval. A minimum of five (5) projects will receive a pre- and post-site visit verification by CLEAResult prior to incentive payment, with the option to conduct additional visits if deemed necessary.

Project Application Process

The Participating Contractor will contact the participant to discuss the participant's project identification needs. In which case:

- Customers will undergo an on-site energy survey. with technical support provided by the Participating Contractor
- After the energy survey, the Customer will receive a survey summary listing eligible upgrades and potential incentive amounts.
- Customer will then select eligible upgrades they wish to install with Participating Contractor and sign the Customer Agreement form.
- Once the Customer approves the measures they wish to install, the Participating Contractor will complete the application process through the online web portal. The Program will review the application, calculate the final incentive amount and approve the project for installation.
- Upon approval for installation, the incentive funds will be reserved for the project. Projects must be completed (with all final required documentation) within 90 days of receiving the Rebate Reservation/Notice to Proceed. The Program will review requests for waivers to this timeframe on a case by case basis.

- Cash incentives are subject to availability and reservation. In order to receive cash incentives from the Program, Customers must first reserve incentives by working with the Program Implementer/Participating Contractor to complete and submit a Project Application for each project. The Program Implementer/Participating Contractor will update the Participant if any significant changes are made to the incentive amount reserved for their projects. For more information, please see the “Limits on Participation” section below.

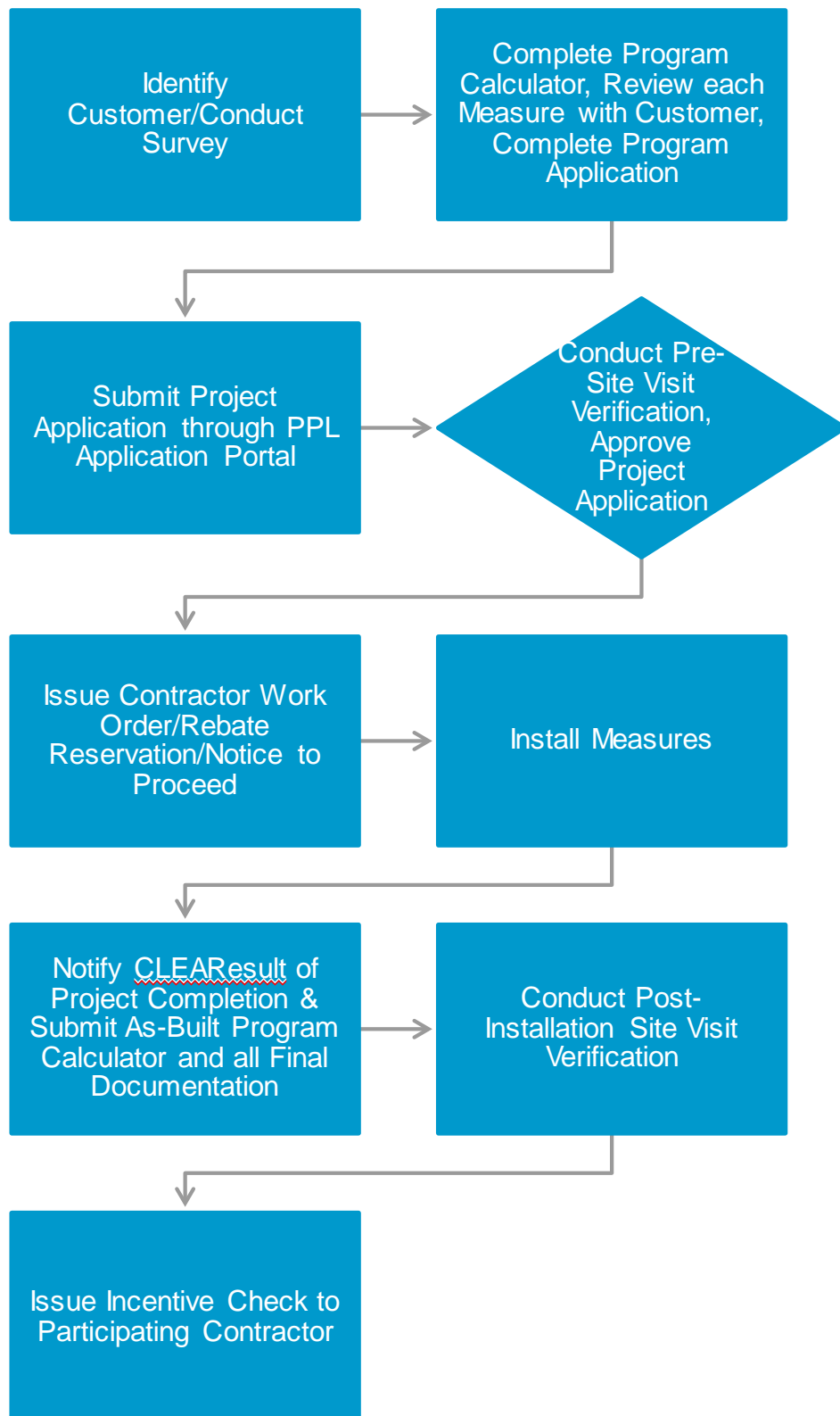
Incentive Payment Process

Any cash incentives received through the Program are paid directly to the Participating Contractor after the project is completed, verified, and a post-installation site visit verification is conducted.

Limits on Participation

The incentive budgets available through the Program are limited and are made available to participants on a first come, first served basis. In the event that incentive reservations exceed the Program budget for incentives, the Program is considered fully- or over-subscribed. If oversubscription to the Program should arise, participants will be placed on a waiting list, in the order of when the project application was received. Participants on the waiting list may be able to reserve Program incentive funding if projects are cancelled and additional funds become available.

Contractors may be removed from the Program for failure to pass post-site visit verifications or other quality or customer satisfaction issues.



QUALITY MANAGEMENT SYSTEM

Quality Assurance

Quality Assurance	
Program Process Trainings (QA)	<p>The Program will perform initial energy efficiency surveys to identify energy efficiency opportunities. The Program will work with the participant to identify cost-effective upgrades based on the survey findings and their specific needs.</p> <p>Participating Contractors will learn about the Program's process for identifying and incentivizing energy efficiency projects.</p>
Application Review (QA)	Applications are reviewed and verified by the Program Implementer.

Quality Control

Quality Control	
Post-Installation Site Visit Verification (QC)	CLEAResult will conduct a minimum of five site visit verifications for projects from each installation contractor. Any issues noted during the post site visit verification will be discussed with the Participant and Contractors and recommendations for Program compliance will be made. Any changes in project scope identified during the post-site visit verification may result in an adjustment of projected savings and incentive amounts. Very few issues are expected to arise on post- site visit verification because the Program Implementer and the Participating Contractors will be working very closely together for this Program.
Participant Satisfaction Surveys (QC)	The Program will conduct Participant Satisfaction Surveys by a third-party company.

Participant Complaints

Participants are encouraged to contact Program contacts listed on page 3 to report and resolve any complaints about the Program.

If a participant becomes involved in a dispute with a customer over business practices, the participant shall work with Program implementer to resolve the dispute amicably. If such discussion does not produce an outcome acceptable to the customer and the participant, the participant shall settle the dispute through the participant's customer complaint resolution process. In any event, participant shall hold PPL's, and/or the Program implementer harmless from any suit arising from work performed through the Program.

DISCLAIMERS

Neither PPL nor CLEARResult guarantee or make any warranties or representations regarding the services performed by any third parties, including professionals provided by the Program. The Program Implementer does not guarantee, make any warranties or representations regarding the services performed by any third parties, including professionals provided by the Program. Participants have sole responsibility for reviewing and using the results or recommendations of any services performed by Participating Contractors. Warranties on equipment are provided by the manufacturer.

Participant shall defend, indemnify and hold sponsor, implementer, their subsidiaries, affiliates, directors, officers, agents and employees, and each of them harmless against any injury, death, damages, suit, claim or other loss ("Loss"), including expenses and actual attorney's fees, arising from or related to this agreement or the breach thereof, except to the extent that such loss was caused by the gross negligence or willful misconduct of sponsor, or implementer. This provision shall survive termination of this agreement.

NOTE: Entering into an agreement with CLEARResult does not imply CLEARResult's endorsement or approval of any products or services. CLEARResult makes no representation of the benefits of any particular technology or energy efficiency measure eligible for incentives under this Program.