

# Channel Engagement Participation Agreement

2015

## Participant Information

Please fill out the following contact information below. – agreement must be complete to process.

<b>Company Name</b>		<b>Website</b>	
<b>Federal Tax ID #</b>	<b>Tax Status</b> <small>(Corporate, Partnership, Sole Proprietorship or Exempt)</small>	<b>Number of Participating Locations</b>	<b>Manufacturer(s) Represented</b>
<b>Street Address</b>		<b>City, State ZIP Code</b>	
<b>Mailing Address</b>		<b>City, State ZIP Code</b>	
<b>Primary Management Contact</b>	<b>Title</b>	<b>Phone</b>	<b>Email</b>
<b>Primary Sales Contact</b>	<b>Title</b>	<b>Phone</b>	<b>Email</b>
<b>Incentive Processing Contact</b>	<b>Title</b>	<b>Phone</b>	<b>Email</b>

## **General Program Information**

### **Program Description**

This Channel Engagement Participation Agreement (CEPA) provides the terms and conditions to receive incentives from the energy efficiency Channel Engagement Incentive Program (Program). The Program is funded by California utility customers of Pacific Gas and Electric Company (PG&E) under the auspices of the California Public Utilities Commission (CPUC). PG&E has selected Energy Solutions, a California corporation, to serve as the Program consultant who will provide program technical assistance.

Program requirements and guidelines will depend on the technology: qualifying participants (Participant), qualifying customer facilities (Customer) and qualifying equipment (Equipment) are identified in the attached Addenda for Food Service, HVAC, Lighting, and Water Heating Program Specific Requirements (Addendum).

### **Program Goals**

1. Encourage Participants to increase their stock of high-efficiency non-residential Equipment in order to be readily available to Customers.
2. Encourage Participants to upsell Equipment to Customers (i.e. explaining to Customers the technical benefits of the efficient option and calculating the payback or Net Present Value (NPV) when possible).
3. Encourage the purchase and installation of the most efficient Equipment available.

### **Term and Termination**

This Program is from January 1, 2015 through December 31, 2015 (Term) and participation begins upon approval of CEPA. This CEPA may terminate upon direction from the CPUC or upon 30 days written notice by either party. If the CEPA and Program is terminated, PG&E will pay amounts owed to the Participant as of the date of termination, provided Program funding is available.

### **Program Funding Limitations**

Program funding is limited. Applications will be accepted on a first-come, first-served basis, until the end of the Term or until funding for the Program is no longer available.

## **Participants, Customers and Equipment**

### **Participant**

A particular qualifying Participant is defined in the Addendum for each program.

### **Customer**

A qualifying Customer is any Customer that receives electric, or gas transmission or distribution service from PG&E and contributes to energy efficiency public purpose program funding. Replacement (retrofit), new construction scenarios, and PG&E owned facilities are Customers and qualify for incentives. Customer eligibility requirements are identified in the Addendum.

## **Equipment**

Qualifying Equipment must be installed at a Customer's facility and meet the Program rated efficiency criteria, specified in the addendum. The Equipment is also listed on the Program qualifying equipment list (Qualifying Equipment List). Equipment is subject to change during the Term.

It is Participant's responsibility to verify with PG&E that Equipment qualifies for the Program incentive. The current energy efficiency criteria for qualifying Equipment and the Qualifying Equipment List are on the Program website: [www.cainstantrebates.com](http://www.cainstantrebates.com).

## **Qualifying Sale**

In order to be eligible for incentive payments, the purchase date (Sale) of Equipment by the Customer must take place during the Term. The Sale must also take place on or after the date the Participant signs the CEPA and receipt and eligibility is confirmed by PG&E.

## **Program Promotion**

If requested, Participant agrees to display PG&E provided Program promotional materials at point of purchase locations.

- Participant agrees to obtain PG&E's prior, written approval to use any other acknowledgment or reference PG&E in any publicly available written format.
- Participant agrees not to misrepresent their relationship with PG&E. Participant shall not state or imply Participant is employed by or working on behalf of PG&E. Participant further agrees not to make any written or oral statements that PG&E endorses their specific product or services. PG&E is vendor neutral and does not endorse products, services, or companies.
- Participant shall not use PG&E's name or logo in their promotional literature, or advertisements or writing of any kind without the express prior written approval from PG&E. PG&E reserves the right to limit a Participant's participation in the Program if, in PG&E's sole judgment, the Participant fails to comply with these requirements.

## **Incentive Rates**

Program incentives are based on Equipment rated input and various incentive rates depending upon the Program Addendum and Equipment category. Current incentive rates can be found on the Program website: [www.cainstantrebates.com](http://www.cainstantrebates.com).

Incentive rates apply to all Equipment in the specified category indicated on the Program website: [www.cainstantrebates.com](http://www.cainstantrebates.com) (i.e. the incentive amount does not change based on the type of business where the Equipment is installed).

## **Application Processing and Payment**

### **Online Vendor Rebate System (VRS)**

The Program utilizes a paperless, on-line incentive application system, Vendor Rebate System (VRS), for entering, processing, and tracking incentive applications (Applications), which is located at the Program website: [www.cainstantrebates.com](http://www.cainstantrebates.com). Upon enrollment in the Program, Participants are provided a unique log-in ID and will receive Program-supported training on the use of VRS. Participants will be responsible for maintaining password privacy and for Applications submitted using the Participant's password.

We encourage each person accessing VRS to have their unique log-in. In case additional log-in accounts are required, please submit a request to support-vrs@energy-solution.com with the new user's e-mail address, name, company, phone number and Program for which access is needed.

## **Application**

To apply for incentives under this CEPA, Participant must complete the Application in the VRS. The Participant may only submit an Application for Equipment they themselves procure for the Customer, and not submit an Application for projects where they only provide installation labor or other services, except when a written exception is granted by the PG&E Program Manager.

## **Required Application Information**

To apply for a Program incentive, Participants must include contact, sales and installation information in the Application on the VRS. The Participant is responsible for supplying accurate Customer, Sales and Equipment information in the online Application in order to identify eligibility of a Customer. Insufficient or incorrect information may result in rejection of the Application.

Applications must contain the following information:

### **Equipment Information**

- Manufacturer
- Model information
- Number of units installed
- Unit serial number(s) (if applicable)
- Tons (if applicable)

### **Installation Site Information**

- Business name and address with direction to where exactly the Equipment was/will be installed on site (i.e. specific building, room, etc.)
- Relevant Contact information, including but not limited to:
  - Payee Contact
  - Sales Engineer
  - Incentive Applicant
  - Designated contact for the purposes of identifying Equipment location in the event the site is selected for verification (i.e. onsite contact, contractor, sales engineer, etc.)

### **Sales Information**

- Invoice/Purchase Order number
- Sales/Invoice date
- Install date (if applicable)

## **Application Filing Time Requirements**

Participants must submit online Applications for incentive payments within 90 days from the sales transaction date with the Customer. Application delays in excess of 90 days must be approved by PG&E on a case-by-case basis. Delays in Application submittal may result in non-payment of Program

incentives. It is the responsibility of the Participant to accurately submit Applications within the specified timeframe to avoid non-payment. Applications must be successfully submitted and received by PG&E no later than the end of the Term.

## **Preservation of Records**

The Participant agrees to preserve all records of Sales of Equipment for which an incentive was received under this Program for a period of seven years after the Term. PG&E has the right to inspect and to request records related to Equipment purchase, Sales, or the incentives. All financial statements, reports, records, invoices, purchase orders, proof of delivery and other relevant documents shall reflect the true facts about all activities and transactions for which the Participant received an incentive as a Program Participant.

## **Double Dipping**

Equipment is eligible for only one CPUC-regulated Energy Efficiency incentive, either through this Program, or any other applicable PG&E or utility program. The Participant understands they are responsible for communicating to the Customer that Equipment incentivized under the Program is not eligible for additional incentives. The Participant agrees not to submit Equipment Applications for additional incentives funded by another energy efficiency public purpose program.

## **Verification**

The installation of Equipment will be subject to random verification by PG&E. Verification will be performed per PG&E requirements on all (or a select portion of) Equipment listed on the Applications. Verification rates may be adjusted based on Participant performance. In order to pass verification, the Equipment must be new and present (or installed for lighting programs) at the Customer's site, as well as have matching model and/or serial numbers (if applicable) as listed in the Application.

If the model or serial numbers found during field verification differ from what is listed in the Application, the Application will be rejected and the Participant will have the opportunity to amend the Application with corrected information for reconsideration.

For Applications selected for field verification, payments will be held until the verification is completed and subsequently processed according to results.

Participant agrees to cooperate with verification activities conducted by PG&E or the Program Technical Assistant for both the sales transaction and product installation. Participant also agrees to provide information about its Customers, as well as stocking and sales practices for use in Program measurement and evaluation activities.

In the case multiple verification visits are required due to the Participant's negligence; PG&E reserves the rights to charge the Participant for the cost of these verification visits.

## **Verification Participant Expectation**

PG&E expects a 95% pass rate from all participating program vendors. This means 100% of what is on the program rebate application should meet finished specifications (quantity, specific parts and operationally installed) for each application submitted and/or inspected to "pass".

If an inspection reveals this criterion has not been met (partial install, quantity difference of applied for parts, etc.), then the PG&E Central Inspection Program (CIP) will fail that portion of the application.

## **INSPECTION RESULTS MONITORING**

PG&E monitors inspection results daily, which translate into application payment, partial payment or rejection. In addition, the respective program teams review inspection results monthly to determine if Participant are maintaining a satisfactory pass rate of 95% or above.

- If a Participant's performance falls below 95% for more than two months, the Participant will be added to a monitored list. During this period, the program manager may increase the inspection rate at his/her own discretion for the Participant to demonstrate performance improvement and the ability to meet the program expected requirements.
- If a Participant's performance falls below 90% for more than two months, the program manager will work with the partner to create a corrective action plan.

### **Corrective action plan monitoring**

Upon the implementation of the appropriate corrective action plan, PG&E will continue to monitor the Participant's inspection pass rate.

If the corrective action plan is successful in improving the inspection pass rate above 95% within three months, the inspection rate and Program monitoring will return to normal parameters.

If the pass rate continues to be lower than 90% for three months, PG&E may choose to suspend the Participant from the Program.

## **Refunds and Adjustments**

PG&E is entitled to a prompt refund from Participant of all incentive payments resulting from inaccurate Application information or Equipment returns made by Participant. Any incentive amounts paid to Participant to which PG&E becomes entitled will be deducted and offset as an adjustment from the Participant's invoice. If PG&E cannot offset the amount, PG&E may request Participant to promptly refund the incentive amount(s) to PG&E.

## **Changes to Program**

At its sole discretion, PG&E reserves the right to make any changes to the Program. Changes shall include, but are not be limited to, modifying the Program's basis for energy efficiency savings, amount of incentives and termination of Program.

## **California Public Utility Commission (CPUC) Authority**

This CEPA shall at all times be subject to changes or modifications by the CPUC. Participant understands the CPUC may commence an investigation or other regulatory proceeding in connection with the Program and/or this CEPA. Participant agrees to cooperate fully with any such investigation or proceeding.

This Program is subject to oversight by the CPUC, which may wish to review any Program data. PG&E shall have no liability to the Participant or other party as result of any public disclosure of any data or other materials. Nonetheless, PG&E understands the sensitive nature of certain data supplied by the Participant. Any data provided by the Participant to PG&E as part of the Program will be used only for the purpose of tracking and analyzing trends in Sales of Equipment during the Program in order to evaluate the effectiveness of the Program.

The cumulative Sales information of all Participants will be used to generate an overall report to determine the Program's success. This report will be made available to the public; however, this report will not contain Participant-specific information.

### **Participant Suspension**

At its sole discretion, PG&E has the right to suspend any Participant from the Program. Cause for suspension could include, but are not limited to, inaccurate Application information, failed verifications or Equipment inspections, breach of this CEPA, non-compliance with Equipment or Customer eligibility rules or the Program's terms and conditions. A Participant may apply for reinstatement to the Program after 90 days from program suspension. During the suspension period, PG&E reserves the right to disqualify all of the Participant's Equipment sales from the date of suspension.

### **Limitation of Liability**

Each party's total liability with respect to Program participation shall be limited to the total amount of all incentive payments made to Participant. Under no circumstances shall either party be liable to the other for any special, consequential, incidental or punitive damages. Except as otherwise stated, Participant and PG&E expressly disclaims all warranties, express or implied, with respect to this Program participation and the obligations contained in this CEPA.

### **Tax Liability**

PG&E reports Participant's incentives as income to Participant on IRS Form 1099 unless Participant has indicated corporation tax status above. Participant is urged to consult its tax adviser concerning the taxability of incentives. PG&E is not responsible for any taxes imposed on Participant as a result of receipt of incentives from this Program.

## Commitment to Program Participation

Participant has read, understands and agrees to all terms and conditions contained in this CEPA.

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**Participant's Signature**

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**Title**

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**Print Name**

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**Date**

### Effective Date

This CEPA is effective upon the confirmed receipt of completed application.

Once approved, you will receive your account and login information via e-mail.

### CEPA Checklist

- Fill out Participant Information Section (cover page)
- Initial the Addendum for your technology program(s); check relevant boxes in sections A and B
- Sign Commitment to Program Participation Section (this page)

### CEPA Submissions Procedures

E-mail a scanned version of the signed and initialed CEPA to the PG&E mailbox at

[PGEAgreements@pge.com](mailto:PGEAgreements@pge.com)



## **ADDENDUM: HVAC Program Specific Requirements**

Participant  
Initials: \_\_\_\_\_

### **HVAC Program Goals**

1. Encourage Participants to increase their stock of high-efficiency, non-residential HVAC Equipment so that it is readily available to Customers.
2. Encourage Participants to upsell Equipment to Customers (i.e. explaining to Customers the technical benefits of the efficient option and calculating the payback or Net Present Value (NPV), when possible).

### **HVAC Participant**

A Participant is a distributor that purchases Equipment directly from the manufacturer or arranges for the manufacturer to sell Equipment to be installed at a Customer's facility. A vendor or contractor that purchases Equipment from a distributor does not qualify for the Program. A manufacturer will qualify as a Participant if they serve as its own distributor and sells directly to the Customer. A manufacturer is not eligible if they operate a warehouse facility that does not act as a distributor of its products.

### **HVAC Equipment**

To be listed on the Qualifying Equipment List, Equipment must demonstrate an adequate efficiency rating through one of the options below:

1. Air Conditioning, Heating, and Refrigeration Institute (AHRI) Directory of Certified Product Performance: [www.ahridirectory.org/ahridirectory/pages/home.aspx](http://www.ahridirectory.org/ahridirectory/pages/home.aspx)
2. Manufacturer specifications tested at the following AHRI conditions:
  - Air conditioning and heat pump equipment: AHRI Standard 340/360-2007
  - Chillers: AHRI Standard 550/590-2011.
  - Variable Refrigerant Flow (VRFs): AHRI Standard 1230-2010
3. Equipment submittals which include the install address, project name and documents verifying testing under appropriate AHRI test standard conditions.

### **HVAC Program Revisions to Qualifying Equipment List**

Participants may request to have additional equipment added to the Qualifying Equipment List. This is done by contacting the Program Technical Assistant and submitting supporting documentation indicating the additional Equipment is in accordance with one of the above approved sources.

### **HVAC Customer**

The Customer is any non-residential customer receiving commercial electric transmission or distribution service from PG&E and contributes to energy efficiency public purpose program funding.

### **HVAC Required Application Information**

Participants must include Equipment tonnage and serial number in the Application.

## **HVAC Verification**

Equipment that is installed or job sited at the Customer's facility with the intention of near future installation is acceptable for a passed verification.

## **HVAC Program Contact**

Program questions, contact PG&E. Questions related to the online Application, Equipment and Customer eligibility or other technical issues, contact the Program Technical Assistant.

- PG&E Contact: Jeanne Duvall  
(415) 973-4221, [jeanne.duvall@pge.com](mailto:jeanne.duvall@pge.com)
- Program Technical Assistant, Energy Solutions: Hector Lefbad  
(562) 200-7026, [HLefbad@energy-solution.com](mailto:HLefbad@energy-solution.com)