

# Business/Industrial Solutions Program (BISP) – Pathway Manual 2023:

- Commercial and Industrial Energy Efficiency Pathway (CIEEP)
- Small Business Pathway (SBP)





An AEP Company

# Table of Contents

DISCLAIMER..... 3

*Section 1: Introduction and Overview of Program Pathways* ..... 4

**1.1 Business/Industrial Solutions Program Overview**..... 4

**1.1.1 Customer Benefits**..... 4

**1.1.2 Participating Contractor Benefits** ..... 5

**1.2 Commercial & Industrial Energy Efficiency Pathway (CIEEP)**..... 5

**1.3 Small Business Pathway (SBP)** ..... 5

**1.4 Energy Efficiency Measures** ..... 6

**1.5 Efficiency Standards** ..... 7

*Section 2: Customer Eligibility Requirements*..... 7

**2.1 CIEEP Eligibility Requirements**..... 8

**2.2 SBP Eligibility Requirements**..... 9

*Section 3: Incentives*..... 9

**3.1 Incentive Rates** ..... 9

**3.1.1 Lighting & Lighting Controls**..... 10

**3.1.2 CoolSaver A/C Tune-Ups** ..... 10

**3.1.3 Midstream Lighting, HVAC & Variable Frequency Drives** ..... 11

**3.1.4 Heat Pump, Air Conditioner, Variable Refrigerant Flow and Other HVAC Equipment** ... 12

**3.1.5 Commercial Smart Thermostats** ..... 14

**3.1.6 ENERGY STAR® Commercial Food Service Equipment** ..... 15

**3.1.7 Refrigeration Equipment & Upgrades** ..... 16

**3.1.8 ENERGY STAR® Pool Pumps** ..... 17

**3.1.9 ENERGY STAR® Level 2 Electric Vehicle Chargers**..... 17

**3.1.10 PC Power Management**..... 17

**3.1.11 Process-Related & Custom Incentives** ..... 17

**3.1.12 Retro-commissioning (RCx) Lite** ..... 18

**3.1.13 Strategic Energy Management** ..... 19

**3.1.14 Feasibility Study Assistance**..... 19

**3.1.15 Direct Install Measures**..... 20

**3.2 Limitation – Maximum Project Applicant Incentives**..... 20



An AEP Company

<b>3.3</b>	<b>Incentive Payments</b> .....	21
<b>3.3.1</b>	<b>CIEEP Incentive Payments</b> .....	21
<b>3.3.2</b>	<b>SBP Incentive Payments</b> .....	22
Section 4: Participating Contractors .....		23
<b>4.1</b>	<b>Participation Requirements</b> .....	23
Section 5: Participation Process .....		25
<b>5.1</b>	<b>Project Process</b> .....	25
<b>5.1.1</b>	<b>Project Identification</b> .....	26
<b>5.1.2</b>	<b>Pre-Installation Inspection</b> .....	27
<b>5.1.3</b>	<b>Project Application &amp; Reservation</b> .....	28
<b>5.1.4</b>	<b>Project Installation / Completion</b> .....	30
<b>5.1.5</b>	<b>Post-Installation Inspection</b> .....	31
<b>5.1.6</b>	<b>Measurement and Verification (if applicable)</b> .....	32
<b>5.1.7</b>	<b>Project Close Out</b> .....	33
Section 6: Quality Assurance .....		34
<b>6.1</b>	<b>Customer Satisfaction</b> .....	34
<b>6.2</b>	<b>Quality Non-Conformance</b> .....	34
<b>6.3</b>	<b>Critical &amp; Non-Critical Failures</b> .....	35
<b>6.4</b>	<b>Termination of Incentive Eligibility</b> .....	35
Section 7: BISP Contact Information .....		35
Section 8: Confidentiality .....		36
Section 9: Participation Costs .....		36
Section 10: Submission of False Information .....		36
Section 11: Equipment and Installation Standards .....		36
APPENDIX A: BISP Contractor Participation Agreement .....		1
APPENDIX B: BISP Project Application .....		<b>Error! Bookmark not defined.</b>



An **AEP** Company

## **DISCLAIMER**

The selection of a Participating Contractor to perform work is the sole decision of the property owner, customer, and/or authorized lessee/occupant.

Inclusion of a Participating Contractor in the Participating Contractor list for the Business/Industrial Solutions Program (BISP) does not constitute an endorsement of any product, individual, or company by Southwestern Electric Power Company (SWEPCO) or CLEAResult Consulting, Inc. (Implementer).

Work performed by Participating Contractors is not guaranteed or subject to any representation or warranty, either expressed, implied or otherwise, by either SWEPCO or the Implementer.

Neither SWEPCO nor the Implementer make any guarantee or any other representation or warranty, either expressed, implied or otherwise, as to the quality, cost, or effectiveness of any product(s) provided or work(s) performed by any Participating Contractor, any Participating Contractor employees, Subcontractors, or supplies.

Energy efficiency gains are subject to a number of variable conditions and circumstances. While it is the intent of the BISP to achieve energy efficiencies, neither SWEPCO nor the Implementer guarantees that any specific energy efficiency gains will be achieved for a particular customer under the BISP.



An AEP Company

## **Section 1: Introduction and Overview of Program Pathways**

### **1.1 Business/Industrial Solutions Program Overview**

Southwestern Electric Power Company (SWEPCO) has selected CLEAResult Consulting, Inc. (Implementer) to assist with program implementation for the two Pathways under its Business/Industrial Solutions Program (BISP). These two Pathways include:

- **Commercial and Industrial Energy Efficiency Pathway (CIEEP)**
- **Small Business Pathway (SBP)**

The Program offers generous incentive rates to encourage customers to install energy efficient products such as high efficiency lighting, HVAC, and refrigeration measures. These incentives are used to reduce the cost of product installation or service completion to the customer.

This manual outlines the policies and procedures, eligibility requirements, incentives, participation process, and other information needed to successfully take part in these Pathways. The manual is designed for use by SWEPCO personnel, its customers, and Participating Contractors.

Monetary incentives will be paid to Customers for the retrofit and new construction installation for a wide range of measures that reduce demand and save energy in commercial and industrial facilities. The Customer can also assign the incentive payment to a third party (i.e., Project Applicant, or Participating Contractor), if desired.

The Pathways will run from January 1, 2023, to December 31, 2023, or until the 2023 incentive budget is depleted. SWEPCO's web site at [www.SWEPCO.com/ARsaves](http://www.SWEPCO.com/ARsaves) is the primary source for all updated Pathway information and materials.

Customers are encouraged to contact Program managers listed in Section 7 of this manual to report any comments they have about their experience in the Program.

#### **1.1.1 Customer Benefits**

Benefits for SWEPCO customers include:

- No-cost facility surveys by Implementer or Participating Contractors to identify energy efficiency opportunities
- Education on energy efficiency products relevant to their facility and its energy usage
- Incentives based on verified kWh energy savings
- Incentives which may be paid as point-of-sale discounts to reduce the up-front cost of facility upgrades
- Project data review and site inspections by Implementer to verify the accuracy of project documents and installed products



An AEP Company

### 1.1.2 Participating Contractor Benefits

Benefits for Participating Contractors include:

- Promotion on SWEPCO's Find-A-Contractor website
- Pre-qualified customer referrals
- Training, support and software tools, available at no cost
- Competitive incentive levels that may greatly reduce the cost of their service to their customers

The online Commercial Project Portal, and its mobile Field Tool version, are valuable software tools developed for use within this Program. They allow Participating Contractors to validate customer and product eligibility, collect existing and new equipment information for eligible measures, develop a work scope and input project costs, generate a Customer Proposal or Project Application, collect an electronic customer signature, and submit projects electronically. The Portal can also be used by Participating Contractors to track the status of their projects and incentive payments.

## 1.2 Commercial & Industrial Energy Efficiency Pathway (CIEEP)

The CIEEP provides incentives for SWEPCO-served commercial and industrial facilities located in Arkansas whose annual **peak kW demand exceeds 100 kW**. Public schools and city/county/state/federal government facilities with SWEPCO service are eligible to participate in the CIEEP regardless of their facility's peak kW demand. The Implementer can assist a customer in determining their facility's peak kW demand.

Incentives are different from rebates in that incentives are intended to motivate the customer to purchase a more energy efficient product, as opposed to rebates which are a partial refund of the purchase price of an item. As the CIEEP provides incentives, not rebates, **it is essential for the Customer or Project Applicant to contact SWEPCO prior to purchasing products or beginning construction to obtain monetary incentives from the CIEEP.**

The CIEEP goal for 2023 is 2,078 kW reduction in peak demand and 16,375,100 kWh reduction in energy usage.

## 1.3 Small Business Pathway (SBP)

A SWEPCO customer is eligible to participate in the SBP if the customer's facility is in Arkansas and is a non-residential SWEPCO account with a **peak kW demand equal to or less than 100 kW**. The Implementer can assist a customer in determining their facility's peak kW demand.

SWEPCO customers are connected with participating SBP Participating Contractors that are qualified to provide design and installation services for energy efficient products and give



An AEP Company

customers additional technical support needed to help make the decision to proceed with energy efficiency upgrades.

The SBP uses a streamlined incentive process, verification of Participating Contractor-generated Customer Proposals and Project Applications, and quality control processes that increase the ease of participation and minimize the time required for incentive payment. The Pathway focuses on cost-effective equipment retrofits that replace inefficient technologies with high efficiency relatively low-cost technologies.

Trained Participating Contractors are provided with a software tool (Field Tool and Commercial Project Portal) that assists with generating Customer Proposals, customer engagement and helps streamline Pathway participation.

The SBP also provides education on energy efficiency technologies to Participating Contractors and customers and equips Participating Contractors with the tools they need to succeed in generating revenue from projects in the small business market. The Implementer will conduct outreach to customers who are served by SWEPCO as well as potential Participating Contractors who provide services in SWEPCO's service territory in Arkansas.

The SBP goal for 2023 is 1,245 kW reduction in peak demand and 6,350,662 kWh reduction in energy usage.

#### **1.4 Energy Efficiency Measures**

Most energy efficiency measures in retrofit applications that reduce electric energy consumption are eligible for BISP incentives. In addition to measures defined in this Manual, SWEPCO may be able to consider providing incentives for any measure that:

- Produces savings through an increase in energy efficiency
- Is installed in a new or retrofit application
- Exceeds minimum equipment standards as provided in the governing version of the Arkansas Technical Reference Manual (TRM), available at <http://www.apscservices.info/ee.aspx>

Measure types excluded from consideration in the Pathway, unless otherwise described in this Manual, are those that:

- Involve self-generation or cogeneration
- Rely on changes in human behavior
- Require no capital investment
- Result in negative environmental or health effects
- Involve load reductions caused by building vacancies, decreased production, or other changes in occupant characteristics or behavior
- Involve Thermal Energy Storage (TES)



An AEP Company

Project incentives will be paid only for energy savings directly related to end-use equipment installed under the project. Savings due to interactive effects between lighting and space-cooling measures will be eligible for payment based on a stipulated value only in cases where lighting measures have been installed in a conditioned space as part of the Pathway. Interactive effects between other end-use equipment will only be eligible for payments if the effects can be quantified or measured in accordance with energy efficiency best practices.

## **1.5 Efficiency Standards**

The BISP is designed to encourage electric energy efficiency improvements that go above and beyond the efficiency gains typically achieved in retrofit or new construction projects. Consequently, energy savings credit will be based only on reductions that exceed current state and federal minimum efficiency standards if such standards apply.

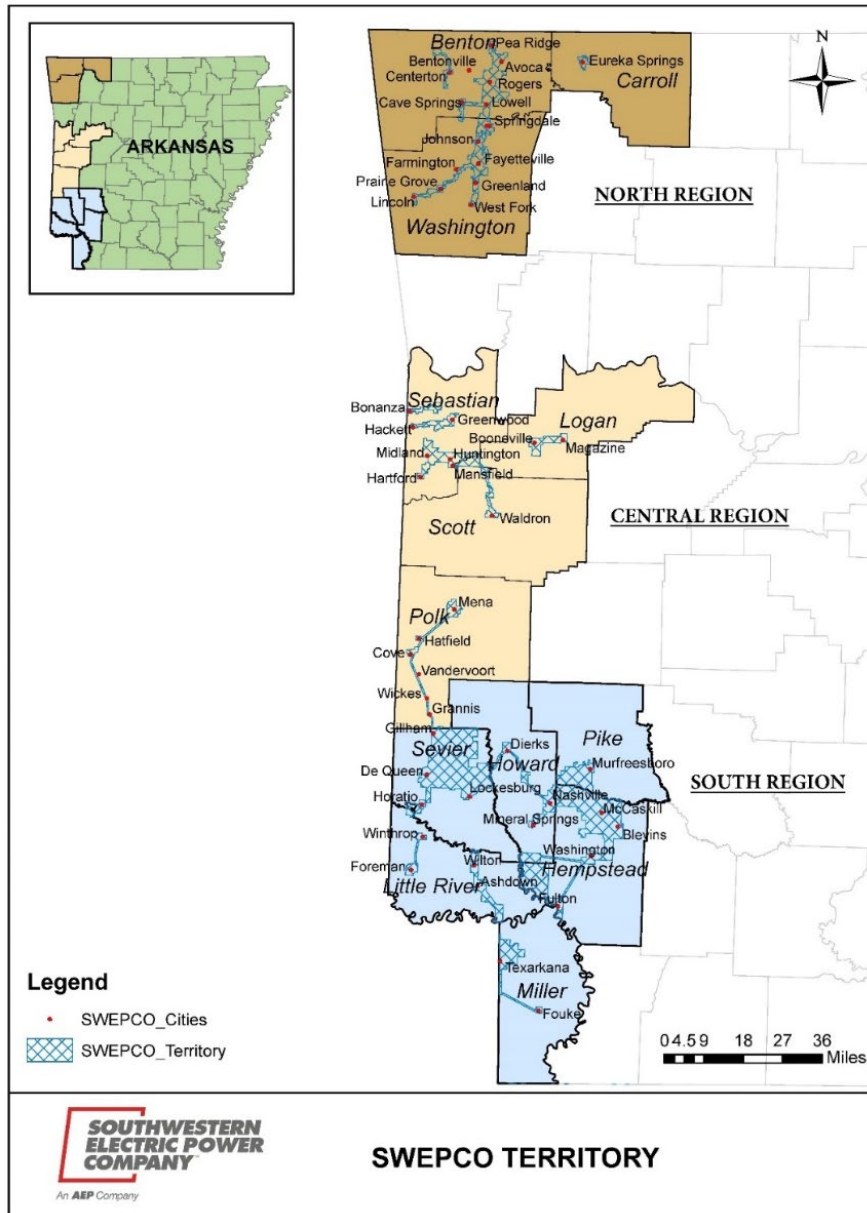
One notable example of this is that the state and federal minimum efficiency standard for linear fluorescent lighting is a T8 lamp, even though T12 lamps are commonly found in conditions of commercial and industrial facilities. This means that savings and incentive amounts for T12 lamp replacements will be calculated using T8 performance as a baseline rather than T12 performance.

In cases where standards do not exist, savings credit will be based on improvements relative to a customer's energy use prior to participating in the Pathway. A list of federal and state equipment efficiency standards is provided in the governing version of the Arkansas TRM.

## **Section 2: Customer Eligibility Requirements**

The map below shows SWEPCO's service areas in Arkansas that are eligible to participate in the Pathways. The map is provided for reference only, as some customers located within these service territories may or may not receive electric delivery service from SWEPCO. An online, interactive GIS map of this service area is available at [www.SWEPCO.com/ARsaves](http://www.SWEPCO.com/ARsaves).





Customers agree to provide facility access for pre- and post- inspections (if required) of measures that are listed on any Project Application they submit. SWEPCO's energy efficiency incentives are based on calculated energy savings, and any additional project cost is the responsibility of the customer.

## 2.1 CIEP Eligibility Requirements

A SWEPCO customer is eligible to participate in the CIEP if the customer's facility is in



An **AEP** Company

Arkansas and is a non-residential SWEPCO account whose annual **peak kW demand exceeds 100 kW**. Public schools and city/county/state/federal government facilities with SWEPCO service are eligible to participate in the CIEEP regardless of their facility's peak kW demand.

A CIEEP project includes the incentive-eligible measures installed at a SWEPCO-served commercial or industrial site, as well as the estimated energy savings. Projects that include a comprehensive range of measure types are especially encouraged.

If the customer has multiple similar sites, one Project Application may be used. For example, installation of measures at a single chain of grocery stores may include more than one customer site but may constitute a single project. This limitation is included to limit administrative costs for due-diligence review of applications and projects.

## **2.2 SBP Eligibility Requirements**

A SWEPCO customer is eligible to participate in the SBP if the customer's facility is in Arkansas and is a non-residential SWEPCO account with a **peak kW demand equal to or less than 100kW**. For a project at a specific facility to be eligible for financial incentives in the SBP, the customer must provide the SWEPCO account number to verify SWEPCO provides electric delivery service for the facility. **Participating Contractors can validate customer account numbers using the Field Tool, the Commercial Project Portal or by contacting the Implementer.**

## **Section 3: Incentives**

SWEPCO will provide monetary incentives to encourage facilities and businesses to implement energy efficient projects recommended by the BISP. The steps for this process include signing and submitting a Customer Proposal or Project Application to the Implementer, allowing the Implementer to access the site for inspections before and/or after project completion, initiating and completing the project, notifying the Implementer of project completion and providing data and/or documentation as requested by the Implementer.

### **3.1 Incentive Rates**

Incentives are paid upon verified energy savings resulting from the installation of eligible measures. Energy savings are defined, in kilowatt-hours (kWh), as energy savings over the course of one 12-month period.

The eligibility criteria for other energy efficiency measures not described in this Manual are listed in the Arkansas Public Service Commission's governing TRM (available at <http://www.apscservices.info/ee.aspx>).

Savings can be categorized under the following two terms:

- **Deemed:** Stipulated through standardized savings values or formulas without on-site testing or metering
- **Non-Deemed, a.k.a. “Custom” or “M&V”:** Stipulated through Measurement and Verification (M&V) with some short-term testing or simple long-term metering. Some M&V methods may be based on SWEPCO guidelines that were developed using the most recent version of the International Performance Measurement and Verification Protocol (IPMVP) as a guide.

The incentive amount for a certain energy efficiency measure will be either a dollar amount paid per estimated kWh of energy savings (e.g., \$0.15 per kWh), or a fixed rate per unit installed (e.g., \$2 per LED A19 lamp).

Incentives based on a dollar amount paid per estimated kWh of energy savings cannot exceed 80% of total project cost for CIEEP projects or 90% of total project cost for SBP projects, unless otherwise specified in writing by SWEPCO or the Implementer.

### 3.1.1 Lighting & Lighting Controls

LED products must be DesignLights Consortium® (DLC) version 5.0 or 5.1 listed or ENERGY STAR® listed. Products labeled as “ENERGY STAR Partner” are not eligible for incentive. Products that have been submitted to DLC or ENERGY STAR for approval, and at the point of installation have not been approved by DLC or ENERGY STAR, are considered eligible for incentive as long as the Implementer is given a copy of the manufacturer’s application to DLC or ENERGY STAR.

Lighting Product	CIEEP Incentive	SBP Incentive
LEDs (screw-in bulbs, excluding Mogul base)	\$0.10 per kWh	\$0.14 per kWh
LEDs (linear replacement lamps)	\$0.10 per kWh	\$0.17 per kWh
LEDs (all other)	\$0.14 per kWh	\$0.17 per kWh
Lighting Controls (retrofit)	\$0.14 per kWh	\$0.17 per kWh

### 3.1.2 CoolSaver A/C Tune-Ups

CoolSaver A/C Tune-Up incentives are available for non-residential SWEPCO customers in Arkansas, regardless of peak kW demand. To obtain a CoolSaver incentive, the customer must hire a participating CoolSaver Participating Contractor (<https://swepcosavings.com/#/find-a-contractor/cool saver-contractors>) to service the customer’s air-conditioning or heat pump units. The measure diagnoses and optimizes the unit’s performance and includes:

- Rinsing the unit’s condenser and evaporator coils
- Cleaning the unit’s blower fan and filter
- Adjusting the unit’s airflow and/or refrigerant level, as needed

CoolSaver incentives are offered as point-of-sale discounts by the participating CoolSaver

Participating Contractor and cannot exceed 100% of the total project cost. Incentives are fixed and vary based on the air-conditioner or heat pump unit’s nominal tonnage:

**Figure 2: CoolSaver Incentive Rates**

<b>Unit Nominal Tonnage</b>	<b>Incentive</b>
1.5-3.5 tons	\$225
4-5 tons	\$275
6-10 tons	\$450
11-15 tons	\$650
16-25 tons	\$800
26-30 tons	\$850
31-50 tons	\$1,400
51-80 tons	\$2,000
≥80 tons	\$2,500

To qualify for a CoolSaver incentive, the air-conditioner or heat pump unit must:

- Be an air-cooled direct expansion air-conditioner or heat pump
- Have been installed on site for no less than 1 year and be in operable condition
- Have not received a CoolSaver incentive in the previous 5 years
- Not be a package terminal air conditioner (PTAC), mini-split, window unit or chiller
- Be serviced by a participating CoolSaver Participating Contractor when the outside temperature is greater than or equal to 75°F, unless otherwise approved in writing

Contractors who wish to offer CoolSaver incentives must complete a CoolSaver participation agreement in addition to the standard SBP participation agreement, purchase an Implementer-approved digital manifold and relevant accessories, and must have a minimum of 1 technician attend and successfully complete a CoolSaver training course sponsored by the Implementer. CoolSaver trainings are typically offered in April and May.

### **3.1.3 Midstream Lighting, HVAC & Variable Frequency Drives**

Midstream incentives are intended to provide customers with a streamlined method of obtaining incentives for small retrofits or recurring facility maintenance. They are available for non-residential SWEPCO customers in Arkansas, *regardless of peak kW demand*. Midstream incentives are available for lighting, air conditioner, heat pump and variable frequency drive products.

To obtain a Midstream incentive, the customer must purchase qualified product from a participating Midstream vendor and must provide the vendor with the SWEPCO-serviced site address at which the product will be installed. A list of Midstream incentives and participating



An AEP Company

vendors is available at <https://swepcosavings.com/#/commercial/midstream-lighting>. Midstream incentives are fixed and vary by the type of product and are offered as point-of-sale discounts by participating vendors. In addition to the customer incentive, vendors receive a \$25.00 Sales Performance Incentive Fund (SPIF) per every air conditioner or heat pump unit sold using Midstream incentives.

**Midstream lighting incentives are not available for new construction projects. Standard incentive rates are not available for products a customer purchases using Midstream incentives.**

### 3.1.4 Heat Pump, Air Conditioner, Variable Refrigerant Flow and Other HVAC Equipment

SWEPCO incentive amounts for HVAC and comfort-cooling equipment vary based on the type of unit, cooling capacity in Btu/h, and efficiency rating (EER, SEER, IEER, IPLV, COP, etc.). Incentives are available for qualifying units installed in either retrofit or new construction projects. The cooling capacity and efficiency rating values used to determine a unit's incentive amount are listed by the American Heating and Refrigeration Institute at [www.ahridirectory.org](http://www.ahridirectory.org). HVAC units that are not permanently installed are not eligible for incentive (i.e., plug-in window units are ineligible).

Fixed rate incentive amounts are available for air conditioner and heat pump units less than 65,000 Btu/h cooling capacity. If a heat pump replaces existing non-electric heat, it is considered an air conditioner for the purposes of determining its incentive amount:

Incentives per ton, units up to 5 tons of cooling:			
<i>SEER</i>	<i>16 - 17.99</i>	<i>18 - 20.99</i>	<i>≥21</i>
<b>SEER2</b>	<b>15.2 - 17.09</b>	<b>17.1 - 19.94</b>	<b>≥19.95</b>
<b>Heat Pump</b>	\$250	\$400	\$500
<b>Air Conditioner</b>	\$75	\$150	\$200

<b>Heat Pumps</b>				
<b>Nominal Tonnage</b>	<b>Cooling Capacity (Btuh)</b>	<i>SEER 16 - 17.99</i>	<i>SEER 18 - 20.99</i>	<i>SEER ≥21</i>
		<b>SEER2 15.2 - 17.09</b>	<b>SEER2 17.1 - 19.94</b>	<b>SEER2 ≥19.95</b>
0.5 - 1	6,000 - 12,000	\$125	\$200	\$250
1 - 1.5	12,000 - 17,999	\$250	\$400	\$500
1.5 - 2	18,000 - 23,999	\$375	\$600	\$750
2 - 2.5	24,000 - 29,999	\$500	\$800	\$1,000
2.5 - 3	30,000 - 35,999	\$625	\$1,000	\$1,250
3 - 3.5	36,000 - 41,999	\$750	\$1,200	\$1,500
3.5 - 4	42,000 - 47,999	\$875	\$1,400	\$1,750
4 - 4.5	48,000 - 53,999	\$1,000	\$1,600	\$2,000
4.5 - 5	54,000 - 59,999	\$1,125	\$1,800	\$2,250
5	60,000 - 65,000	\$1,250	\$2,000	\$2,500

<b>Air Conditioners</b>				
<b>Nominal Tonnage</b>	<b>Cooling Capacity (Btuh)</b>	<i>SEER 16 - 17.99</i>	<i>SEER 18 - 20.99</i>	<i>SEER ≥21</i>
		<b>SEER2 15.2 - 17.09</b>	<b>SEER2 17.1 - 19.94</b>	<b>SEER2 ≥19.95</b>
0.5 - 1	6,000 - 12,000	\$38	\$75	\$100
1 - 1.5	12,000 - 17,999	\$75	\$150	\$200
1.5 - 2	18,000 - 23,999	\$113	\$225	\$300
2 - 2.5	24,000 - 29,999	\$150	\$300	\$400
2.5 - 3	30,000 - 35,999	\$188	\$375	\$500
3 - 3.5	36,000 - 41,999	\$225	\$450	\$600
3.5 - 4	42,000 - 47,999	\$263	\$525	\$700
4 - 4.5	48,000 - 53,999	\$300	\$600	\$800
4.5 - 5	54,000 - 59,999	\$338	\$675	\$900
5	60,000 - 65,000	\$375	\$750	\$1,000

For units with cooling capacity greater than 65,000 Btu/h, incentives are calculated at varying incentive rates, listed below.

HVAC controls, such as Building Automation System or Energy Management System software, may receive an incentive at a rate of \$0.14 per kWh if installed where no existing controls are present. See 3.1.5 Commercial Smart Thermostats and 3.1.12 RCx Lite for other forms of HVAC control incentives.

An incentive rate of \$0.22 per kWh of estimated savings is available for:

- Air conditioner installations in existing facilities or new construction projects
- Heat pump and Variable Refrigerant Flow (VRF) installations that replace existing units



An **AEP** Company

- with existing non-electric heat
- Chillers used for space conditioning

An incentive rate of \$0.28 per kWh of estimated savings is available for:

- New heat pump and VRF installations that do not replace an existing unit (such as new construction projects, or additions to existing facilities)
- Heat pump and VRF installations that replace existing units without existing non-electric heat

Midstream incentives are also available for air conditioner and heat pump units with cooling capacity of 120,000 Btu/h or lower. See Section 3.1.3 above for more information.

### **3.1.5 Commercial Smart Thermostats**

Incentives are available for approved Wi-Fi enabled smart thermostats which replace existing thermostats and are installed in facilities with opportunities for significant energy savings resulting from improved HVAC controls. Contact the Implementer to confirm eligibility of thermostat models.

To be eligible for incentive, the existing thermostat must have no Wi-Fi capability and no existing aggressive control strategies in place and must control a functional split or packaged air conditioner or heat pump. Sites with existing functional Building Automation System or Energy Management System software, or sites with no functional Wi-Fi available, are not eligible unless approved in writing by the Implementer.

The smart thermostat must be Wi-Fi enabled and programmed with both significant temperature setbacks of temperature setpoints during unoccupied times, and an override of customer changes to these setbacks after a pre-determined period.

Incentive Amount:

- \$100 per thermostat if installed by the customer or a non-CoolSaver-participating contractor.
- \$250 per thermostat purchased, installed, and programmed by a participating CoolSaver contractor, with requirement that a CoolSaver A/C Tune-Up must also be performed on same HVAC equipment within same calendar year.

The installer must complete a form, provided by SWEPCO, for each installed thermostat which details the existing and new thermostat setpoints, setbacks and schedules for occupied and unoccupied periods for each day of the week. Incentives paid to a contractor must be provided as a point-of-sale discount on the contractor's invoice to the customer.



An AEP Company

SWEPCO reserves the right to conduct random inspections to verify installation, which may take place prior to payment of incentive. Customer understands that SWEPCO assumes no responsibility for the condition or repair of the customer’s heating system, cooling system, or other equipment. Thermostats must be installed at the location associated with the SWEPCO account number listed on the SWEPCO incentive form.

### 3.1.6 ENERGY STAR® Commercial Food Service Equipment

Incentives are available for electric commercial food service equipment installed in either retrofit or new construction projects, listed below. Dishwashers must use an electric water heater to qualify for an incentive. Please contact the Implementer if you are interested in incentives for product types not listed.

<b>ENERGY STAR® Ice Makers</b>	<b>Incentive Per Unit</b>
Batch Machine, Ice Making Head	\$100
Batch Machine, Remote Condenser/Split (without remote compressor)	\$200
Batch Machine, Self Contained Unit	\$100
Continuous Machine, Ice Making Head	\$200
Continuous Machine, Remote Condenser/Split (without remote compressor)	\$450
Continuous Machine, Self Contained Unit	\$100

<b>ENERGY STAR® Griddles</b>	<b>Incentive Per Unit</b>
Single-sided	\$200
Double-sided	\$150

<b>ENERGY STAR® Convection Ovens</b>	<b>Incentive Per Unit</b>
Half-sized	\$50
Full-sized	\$300

<b>ENERGY STAR® Combination Ovens</b>	<b>Incentive Per Unit</b>
5 to 10 Pans	\$1,200
11 to 14 Pans	\$800
15 to 20 Pans	\$1,700

<b>ENERGY STAR® Fryers</b>	<b>Incentive Per Unit</b>
Standard Fryer	\$450
Large Vat Fryer	\$400



<b>ENERGY STAR® Steam Cookers</b>	<b>Incentive Per Unit</b>
3 Pan	\$900
4 Pan	\$1,100
5 Pan	\$1,300
6 Pan	\$1,500

<b>ENERGY STAR® Dishwashers</b>	<b>Incentive Per Unit</b>
Low Temperature, Electric Under Counter	\$550
Low Temperature, Electric Stationary Single Tank	\$2,450
Low Temperature, Electric Single Tank Conveyor	\$2,450
Low Temperature, Electric Multiple Tank Conveyor	\$3,400
High Temperature, Electric Under Counter	\$600
High Temperature, Electric Stationary Single Tank	\$1,750
High Temperature, Electric Pots, Pans, and Utensils	\$500
High Temperature, Electric Single Tank Conveyor	\$1,550
High Temperature, Electric Multiple Tank Conveyor	\$4,150

### **3.1.7 Refrigeration Equipment & Upgrades**

Incentives for refrigeration equipment & upgrades are limited to retrofit projects, with the exception of Refrigerator & Freezer Doors which is available for new construction projects. In addition to the products listed below, custom incentives may be available for upgrades to refrigeration systems. Contact the Implementer for more information.

Refrigeration Measures	CIEEP Incentive	SBP Incentive
Auto-Door Closer for Walk-In Coolers & Freezers	\$200 (Cooler); \$400 (Freezer)	\$200 (Cooler); \$400 (Freezer)
Refrigerator Anti-Sweat Heater Controls	\$30 per linear foot (Cooler); \$60 per linear foot (Freezer)	\$30 per linear foot (Cooler); \$60 per linear foot (Freezer)
Refrigerator & Freezer Doors	\$0.14/kWh	\$0.14/kWh
Refrigerator ECM Retrofit	\$0.14/kWh	\$0.14/kWh
Refrigerator Evaporator Controls	\$0.14/kWh	\$0.14/kWh
Refrigerator Gasket	\$0.12/kWh	\$3 per linear foot (Cooler); \$15 per linear foot (Freezer)
Refrigerator Strip Curtain	\$0.12/kWh	\$4 per square foot (Convenience Store Cooler & Freezer)
Refrigerator Strip Curtain	\$0.12/kWh	\$5 per square foot (Restaurant Cooler, Restaurant Freezer with existing Strip Curtain)
Refrigerator Strip Curtain	\$0.12/kWh	\$15 per square foot (Restaurant Freezer with NO existing Strip Curtain)

### 3.1.8 ENERGY STAR® Pool Pumps

Each ENERGY STAR listed pool pump which replaces an existing non-ENERGY STAR listed pump is eligible for a \$250 incentive.

### 3.1.9 ENERGY STAR® Level 2 Electric Vehicle Chargers

A \$500 incentive is available for the installation of an ENERGY STAR listed Level 2 electric vehicle charging station installed in either a retrofit or new construction project. A charging station with two ports may be able to receive two \$500 incentives, as long as the delivered voltage per port does not decrease by greater than or equal to 50% of total rated voltage when both ports are used simultaneously. The charging station must be 240V, 16-80 Amps, and must have “connected” functionality.

### 3.1.10 PC Power Management

Incentives are offered for PC Power Management software installed in retrofit projects at a rate of \$0.10 per kWh.

### 3.1.11 Process-Related & Custom Incentives

Incentives are available at a rate of \$0.14 per kWh for a wide variety of process-related



An AEP Company

upgrades and equipment, including but not limited to air compressor replacement, compressed air leak repair, chiller installation and variable frequency drive (VFD) of fans and motors.

The Program is also able to provide custom incentives at a rate of \$0.14 per kWh for unique installations and processes not otherwise described in this Section. The Program may set a minimum amount of estimated kWh savings necessary in order to provide custom incentives for a project or particular technology. Contact the Implementer for more information.

### 3.1.12 Retro-commissioning (RCx) Lite

Retro-commissioning (RCx) Lite is a suite of incentives designed for operational and building maintenance improvements in small to medium sized non-residential facilities. Incentives are available to Participating Contractors for identifying and implementing approved energy efficiency measures using a proprietary RCx Lite Workbook. Contractors must attend an Implementer-provided training session to become a qualified RCx Lite Participating Contractor.

Incentives are available to help reduce the cost of the facility audit (Survey Incentive) as well as for the energy savings resulting from the service performed (Project Incentive).

The structure for the Survey Incentive is:

Facility Square Footage	Survey Incentive
<15,000 sq ft	\$ 210.00
15,000 to 49,999 sq ft	\$ 300.00
50,000 to 100,000 sq ft	\$ 450.00
>100,000 sq ft	\$ 600.00

The Survey Incentive cannot exceed 100% of the Survey Cost.

The structure for the Project Incentive is:

Incentive rate per kWh	\$0.13
Incentive capped at x % cost associated with electric or gas energy savings	90%

Incentives are paid to the Participating Contractor after the Participating Contractor provides a point-of-sale discount to the customer for the Survey and the installation of improvements. The list of improvements available through RCx Lite includes:

- Rooftop Unit/Air Handler Optimization
  - Coil Cleaning
  - Demand Control Ventilation Adjustment
  - Duct Leakage

- Economizer Optimization
- Fan Static Pressure Adjustment
- Fan Variable Frequency Drive
- Indoor Air Sensor Adjustment
- Refrigerant Correction
- Schedule Optimization
- Sensor Calibration
- Supply Air Temperature Reset
- Variable Airflow Volume (VAV) Box Optimization
- Chiller Optimization
  - Plant Adjustments
  - Pump Variable Frequency Drive
  - Tune-Up
  - Water Valve Repair
- Lighting Control Measures
- Domestic Hot Water Pump Control
- Garage Carbon Monoxide Demand Control Ventilation

### **3.1.13 Strategic Energy Management**

Strategic Energy Management (SEM) provides energy efficiency strategies, technology, consulting advice and technical expertise at no additional cost to customers. This changes the way people use energy within the customer's facility, which leads to quantifiable savings and fosters a culture of energy and sustainability awareness.

SEM is built on principles of continuous improvement and organizational change, providing customers with on-call energy consultants. Participating customers attend SEM workshops, complete behavioral or operational energy-saving actions and engage their leadership and organization in savings efforts and progress reporting. **SEM is the only measure in the Program which may be paid for behavioral changes or customer activities that do not involve an expense.**

Participants enroll in a Cohort in January and participate throughout the calendar year, gradually increasing their energy savings through ongoing process improvements. In addition to the cost savings resulting from these improvements, participating customers receive a SWEPCO incentive of \$0.02 per kWh of estimated savings resulting from these process improvements.

A customer's facility must have an annual electric usage of 1,000,000 kWh or greater to participate in SEM. Contact the Implementer for more information.

### **3.1.14 Feasibility Study Assistance**

The purpose of the Feasibility Study program is to promote custom air compressor, refrigeration, HVAC controls, Variable Frequency Drive (VFD), and process related energy savings measures. Limited funding, as determined by SWEPCO, is available to offset the costs of feasibility studies (i.e., engineering audits).



An AEP Company

All industrial, commercial, or publicly owned facilities in Arkansas served by SWEPCO who have a peak demand > 100kW are eligible to participate. Eligible systems include:

- Air Compressor Systems (Supply & Demand side) – Total affected nameplate horsepower ≥ 100hp
- Refrigeration Systems – Total affected nameplate horsepower ≥ 100hp
- HVAC Controls – Direct Digital Control (DDC) systems in facilities with building area > 5,000 square feet
- Motors – Constant speed with a total affected nameplate horsepower ≥ 50hp
- Fans – Constant speed ≥ 50hp
- Process related measures, and other systems and projects not listed above – approved on a case-by-case basis

**Lighting systems are not eligible for Feasibility Study Incentives.**

Incentives are based on the estimated kWh savings resulting from the study’s recommendations (see table below). Incentives are paid to the contractor who provides the same amount to the customer as a point-of-sale discount on the invoice for the study. SWEPCO will pay 60% of the incentive when the contractor submits the study and will pay the remaining 40% of the incentive if the customer initiates a project that was described in the study. The total feasibility study incentive paid cannot exceed the cost of the study.

Estimated kWh Savings	Feasibility Study Incentive
50,000 - 100,000	\$ 3,000
100,001 - 200,000	\$ 6,000
200,001 - 300,000	\$ 9,000
300,001 - 500,000	\$ 12,000
500,001 or greater	\$ 15,000

**3.1.15 Direct Install Measures**

Direct Install Measures are energy efficiency measures provided at no cost to the customer. Both the material and labor required to complete installation of these measures are provided by the Implementer at no cost to the customer. These measures include:

- Low Flow Aerators
- Door Sweeps
- Weather Stripping

**3.2 Limitation – Maximum Project Applicant Incentives**



An AEP Company

To ensure that incentives are available to multiple participants, SWEPCO reserves the right to review individual projects to maximize incentive levels for the project while ensuring incentives are available for other customers.

### 3.3 Incentive Payments

#### 3.3.1 CIEEP Incentive Payments

CIEEP incentives are paid to the Customer, unless the Customer assigns the incentive payment to the Project Applicant on the Project Application form. If the Project Applicant receives the incentive payment for a CIEEP project, they must provide the Customer with a line-item discount on their invoice to the Customer for the exact amount of the incentive payment.

SWEPCO will pay incentives in either one or two installments, depending on the measures involved in the project.

For measures with deemed savings values, the Customer or Project Applicant will receive a payment equal to 100% of the approved incentive payment after a project is installed, approved and verified by SWEPCO.

For measures with non-deemed savings that are *estimates* and require pre- and post-installation M&V, the Customer or Project Applicant may receive an initial payment equal to 40% of the estimated incentive amount as documented in the Project Application after approval and installation and receive the remainder of the incentive based on energy savings after the project's energy savings are verified by SWEPCO.

Therefore, the total "installation payment" is determined by:

Calculating the portion represented by those measures with estimated savings based on pre-M&V results (the "estimated installation payment") using the following equation:

$$\text{Estimated installation payment} = 0.4 * \text{estimated annual kWh savings} * \$/\text{kWh incentive rate}$$

Calculating the portion represented by those measures with deemed savings values (the "deemed installation payment") using the following equation:

$$\text{Deemed installation payment} = \text{deemed annual kWh savings} * \$/\text{kWh incentive rate}$$

Adding the estimated portion to the deemed portion to get the total installation payment:

$$\text{Installation payment} = \text{Estimated installation payment} + \text{Deemed installation payment}$$

For non-deemed savings measures, all M&V activities must be complete, documented, and accepted by SWEPCO before the Customer or Project Applicant will receive the remaining incentive payment based on the one-year verified savings. This remaining incentive is calculated based on the project's verified energy savings, minus any "estimated installation payment." Therefore, the remaining incentive will be calculated as follows:



An AEP Company

Remaining Incentive =  
(Measured annual energy savings \* \$/kWh incentive rate) – estimated installation payment

The final project incentive payment will be in accordance with final M&V results. SWEPCO reserves the right to limit the final project incentive payment so that it does not exceed the incentive amount reserved via the Project Application.

For projects requiring detailed M&V plans, the M&V plan must be agreed to by both the customer and the Implementer prior to beginning.

If M&V activities reveal that the total savings are less than the Installation Payment, the Customer or Project Applicant is responsible for payment of the difference between the Installation Payment and eligible incentives to SWEPCO.

### 3.3.2 SBP Incentive Payments

Small Business incentives for the following measures will be paid directly to the Participating Contractor after the project is completed and verified, unless otherwise specified in writing by SWEPCO or the Implementer:

- Lighting & Lighting Controls (Section 3.1.1)
- CoolSaver A/C Tune-Ups (Section 3.1.2)
- Midstream Lighting, HVAC & VFDs (Section 3.1.3)
- Refrigeration Equipment & Upgrades (Section 3.1.7)
- RCx Lite (Section 3.1.12)

The Participating Contractor must then provide the full amount of the SWEPCO incentive as a line-item discount on the invoice to the customer.

For other measures, the customer has the option of either receiving the incentive payment directly from SWEPCO or receiving the amount as a discount from the Participating Contractor who is then paid the incentive amount by SWEPCO.

Pre- and/or post-installation site inspections may be necessary as part of the Implementer's verification. The Implementer will determine the eligible annual energy savings (kWh per year) for the project and the resulting amount of incentives due to the Participating Contractor. **Work scope changes may result in an incentive amount lower than that listed on the signed Customer Proposal or Project Application.**

SWEPCO is not under any obligation to provide a higher incentive than the amount reserved by the Customer Proposal or Project Application for any project, even if the Participating Contractor achieves greater energy savings by the project than were estimated. However, if budget is still available when a project achieves greater energy savings than estimated, the Implementer has the option to pay the Participating Contractor more than the amount reserved, up to the incentive calculated by the achieved energy savings.



An **AEP** Company

A Participating Contractor may agree to provide additional services to the customer at the time of a Small Business project. However, only installed measures that meet the requirements of this Manual will receive incentives.

Costs in excess of the incentive amount, costs related to any measure not on the prescribed list, and costs for any measure or service on the prescribed list that exceed the project cap on incentives (see Section 3.1) are the responsibility of the customer.

The incentive budget available for the Pathway is limited and made available to Participating Contractors on a first-come, first-served basis. If incentive reservations exceed the Pathway budget for incentives, the Pathway is considered fully or over-subscribed. In this event, Participating Contractor projects will be placed on a waiting list, in the order of when the Customer Proposal or Project Application was received. Participating Contractors on the waiting list may be able to reserve Pathway incentive funding if projects are cancelled and funds become available.

Incentive payments will be issued within 30 calendar days of Implementer approval of a project payment and submission to SWEPCO for payment. No Customer or Participating Contractor has an unconditional entitlement to incentive funds.

## **Section 4: Participating Contractors**

### **4.1 Participation Requirements**

To become a Participating Contractor, a contractor must sign and meet the eligibility criteria outlined in the BISP Contractor Participation Agreement, included as Appendix A. Participating Contractors can include: a licensed installing Participating Contractor, a Project Applicant who plans to submit multiple projects, an ESCO, or a distributor. The applicant does not become a Participating Contractor and does not gain access to all the features of the Commercial Project Portal until receiving written approval of their Pathway Participation Agreement by the Implementer.

Participating Contractors will be featured on SWEPCO's customer-facing Find-A-Contractor website once they have either completed a minimum of one (1) Pathway project in 2023 or have successfully completed a minimum of one (1) project within either CIEEP or SBP during calendar year 2022.

Participating Contractors may co-brand their marketing materials with the SWEPCO logo, and their contact information and services offered may be promoted on SWEPCO's customer-facing website. To utilize the SWEPCO logo, a Participating Contractor must complete a Co-Branding Agreement form, provided the Implementer. The Participating Contractor may not use the





An **AEP** Company

SWEPCO logo until they have received written approval of this request and may only use the logo image, or logo-branded apparel or items, provided by the Implementer.

Participating Contractors must fulfill the following requirements:

- Prioritize and provide excellent customer service
- Sign and agree to comply with the terms of, and provide all documentation required by, the BISP Contractor Participation Agreement
- Provide updated certificate of insurance and W-9 within 30 calendar days of request by Implementer
- Attend a no-cost training on the use of Implementer-provided software tools and calculators
- Schedule and perform their own site visits and installations
- Perform facility surveys at no cost to the customer to identify energy efficiency projects that are eligible for incentives, including:
  - Use the Field Tool to generate a Customer Proposal, or the Commercial Project Portal to submit an Project Application, or other appropriate Implementer-provided software tool or calculator
  - Document (including with photographs for CoolSaver A/C Tune-Up, Commercial Smart Thermostat, Refrigeration Equipment & Upgrade and SBP Lighting & Lighting Controls projects) each existing unique type of product involved in the project, including:
    - The nameplate on the product showing the model number
    - The location of the product (where it is installed on site)
    - An overall photo of the room
    - Any additional photos requested by Implementer (may vary based on measure)
  - Document (including with photographs for CoolSaver A/C Tune-Up, HVAC Equipment, Commercial Smart Thermostat and SBP Lighting & Lighting Controls projects) the space heating type as:
    - “Gas”
    - “Electric Resistance”
    - “Heat Pump”
    - “None”
  - Obtain signed Customer Proposal or Project Application and submit to Implementer

- Install products that are eligible as described in this Manual
- Notify the Implementer of project cancellation or scope of work changes
- For SBP Lighting & Lighting Controls projects, complete projects within sixty (60) calendar days of the date on the signed Customer Proposal
- For SBP Lighting & Lighting Controls projects, notify Implementer of project completion within two (2) business days of installation
- Upon project completion:
  - Provide a site-specific project invoice to the Implementer showing the quantity and model number of products installed
  - Document, with photographs, each post-retrofit unique type of product involved in the project, including:
    - The nameplate on the product showing the model number
    - The location of the product (where it is installed on site)
    - For SBP Lighting & Lighting Controls projects, an overall photo of the room
    - Any additional photos requested by Implementer (may vary based on measure)

**Failure to provide required documentation will delay incentive payment.**

A Participating Contractor who has previously participated in the CIEEP or SBP and was suspended or removed by SWEPCO or the Implementer, or any current business owned and/or operated by the owner and/or operator of such a Participating Contractor, may be denied the ability to become a Participating Contractor in the BISP, at SWEPCO's sole discretion.

A Participating Contractor's failure to comply with Pathway requirements may result in SWEPCO taking disciplinary action against the Participating Contractor until such failure has been remedied, as determined by SWEPCO. Disciplinary action may include, but is not limited to, removal of Participating Contractor's ability to use the SWEPCO logo, removal of Participating Contractor from SWEPCO's website, or denial of incentives for projects completed by the Participating Contractor

## **Section 5: Participation Process**

### **5.1 Project Process**

The general steps for a BISP project are listed below:

1. Project Identification
  - a. Facility Walk-Thru Assessment
  - b. Project Portal Submission
2. Pre-Installation Inspection (if required)

- a. Pre-Installation Inspection or Pre-Photo Authorization
3. Project Application & Reservation
  - a. Project Approved & Incentives Reserved
  - b. Signed Customer Proposal or Project Application
4. Project Installation / Completion
5. Post-Installation Inspection (if required) or Post Photo and Material Invoice Verification
6. Measurement and Verification (M&V) (if applicable)
7. Project Close Out

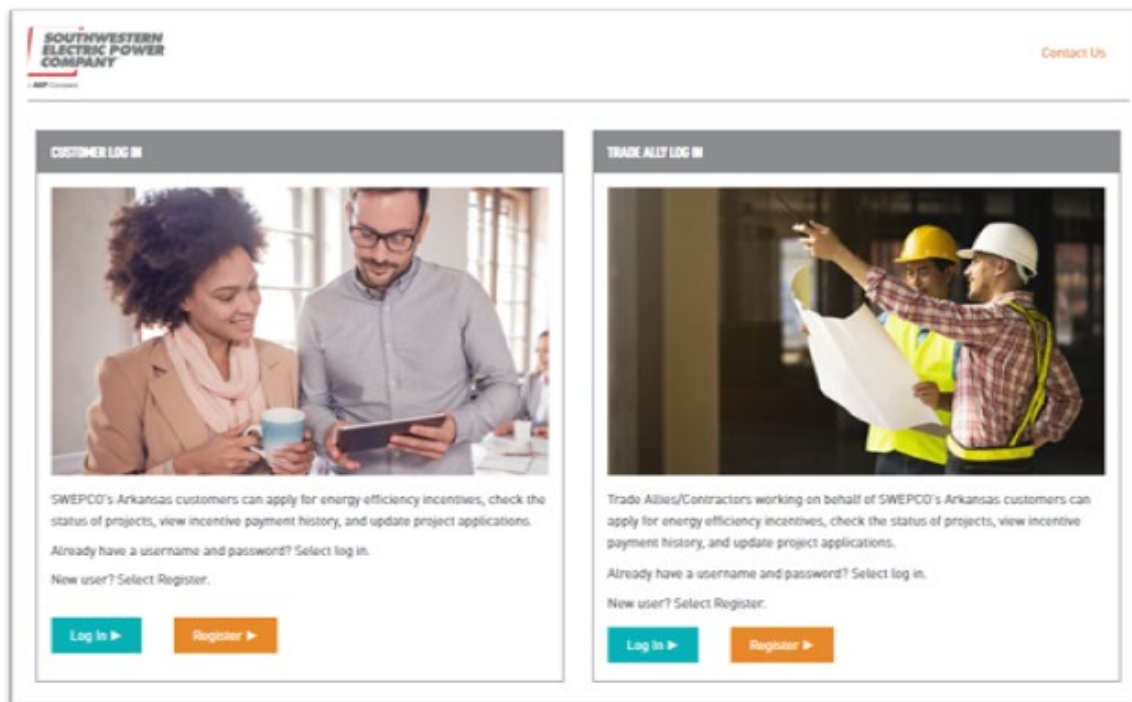
### **5.1.1 Project Identification**

Customers may request a no-cost walk-thru, provided by SWEPCO, to identify energy efficiency opportunities that align with the customer's interests and facility characteristics. If requested, the Implementer will help develop specifications for a project and conduct financial analysis to determine the project's return on investment for the Customer.

If the Customer or Project Applicant already has information about the project they would like to begin, they should **notify the Program about the upcoming project as soon as possible** to determine eligibility for incentives and reserve incentives for payment. **SWEPCO cannot guarantee incentives will be paid for projects that are completed prior to the Customer, Contractor or Project Applicant notifying SWEPCO of the project's existence.**

Customers and Contractors are encouraged to submit an Project Application directly to the Implementer using the Commercial Project Portal. The Commercial Project Portal also allows customers and Project Applicants to check on the incentive payment status of active projects submitted through the Project Portal. Customers and Project Applicants may register to submit projects using the Commercial Project Portal at:

<https://ogne-prod.secure.force.com/swepco/>



### 5.1.2 Pre-Installation Inspection

SWEPCO may need to conduct a pre-installation inspection of the project site or plans to verify the baseline conditions documented in the application and the feasibility of installing the proposed equipment. **If needed, the pre-installation inspection must take place before any installation work can begin.** The inspection will verify the following information:

- The accuracy of the equipment survey. For most measures the accuracy of the equipment quantity and nameplate information is verified.
- If the project requires an M&V plan, the inspection verifies the plan is appropriate for the measure, and the necessary M&V activities are being performed.
- All existing equipment listed in the Project Application is still in place and operational.
- New equipment installation, or preparation for installation, has not begun.

For SBP Lighting & Lighting Controls projects, the Implementer will perform pre- and post-inspections on 100% of the first five projects submitted by each Participating Contractor. Once a Participating Contractor successfully passes the initial sample of five inspections, the Implementer will perform site inspections on 20% of the Participating Contractor's total projects installed, proportionate to Participating Contractor project volume and at the Implementer's discretion.



An AEP Company

**This inspection shall not include evaluations of workplace safety or compliance with codes or laws.**

If electrical measurements are necessary, the Customer or their authorized representative is required to perform any necessary disruptions in equipment operation, the opening of any electrical connection boxes, or the connection of current and power transducers. If the pre-installation inspection cannot be completed in a timely manner because the Customer or representative is unfamiliar with the facility or project, the project site will fail the inspection.

For CoolSaver A/C Tune-Ups, Refrigeration Equipment & Upgrades, HVAC Equipment, ENERGY STAR® Pool Pumps, ENERGY STAR® Level 2 Electric Vehicle Chargers, Commercial Smart Thermostats and SBP Lighting & Lighting Controls projects, Participating Contractors are required to submit photos for all eligible projects, regardless of inspection status.

For projects submitted through the Commercial Project Portal or Field Tool, if a pre-installation inspection for such a project fails, the Implementer will correct the Customer Proposal or Project Application as needed.

**If a project site fails two pre-inspections, SWEPCO will reject the project.**

**If the proposed equipment has been installed before the pre-installation inspection and the baseline conditions cannot be verified, SWEPCO may reject the Project Application.**

### **5.1.3 Project Application & Reservation**

Incentives are subject to availability and reservation. To receive incentives from the BISP, the Customer and their Project Applicant or Participating Contractor must first reserve incentives by completing and submitting a signed Customer Proposal or Project Application for each individual project. The Implementer will review submitted project documents and approve eligible projects for an initial incentive reservation. The Implementer will update the submitter if any significant changes are made to the incentive amount reserved for their projects.

Customers may either hire a contractor to install products or perform services or install products or perform services using in-house maintenance staff, with the exception of certain measures which cannot be performed in-house (Example: CoolSaver A/C Tune-Up). Customers must provide reasonable access to their facilities and data requested by the Implementer both before and after project completion.

Project Applications are signed by both the Customer and Project Applicant. A Project Applicant is the party that both acts as the primary point of contact for a project and provides necessary documentation for a CIEEP project. In many projects, the Project Applicant is the Customer or Contractor, but the Customer is free to designate a third party as the Project Applicant if they wish. Examples of third parties serving an Project Application include but are not limited to energy service companies (ESCOs), companies that provide energy-related services or products (such as lighting or HVAC equipment)

Project Applicants are required to provide project details, including technical specifications of products installed, to the CIEEP Implementer to qualify the project for incentives. Project Applicants must also complete and submit the project's Project Application and any other necessary information to process incentives. An example of a customer acting as its own Project Applicant is a manufacturing facility using its in-house maintenance staff to install energy efficiency measures, rather than bidding the installation to a Participating Contractor.

SBP Lighting & Lighting Controls and Refrigeration Equipment & Upgrades projects use a Customer Proposal generated by the Participating Contractor using the Field Tool rather than an Project Application. The Proposal serves the same purpose as the Project Application (reserving funds for specific energy efficiency measures for a specific customer) and requires a signature from both the Customer and Participating Contractor.

The Project Application will include or be accompanied by the following information:

- W-9 of the party (Customer or Project Applicant) that will receive the BISP incentive
- Customer and Contractor contact information (with Project Applicant contact information as well, if a third party)
- Additional information about the Customer's facility and proposed project, as requested by the Implementer

The Implementer will review the Customer Proposals and Project Applications for completeness and eligibility before reserving funds. The Implementer may deny approval of a Customer Proposal or Project Application for a variety of reasons, including, but not limited to:

- The Customer Proposal or Project Application is incomplete or lacks requested supporting documentation
- The Customer Proposal or Project Application is received after all funding has been reserved
- If submitted by a Participating Contractor, the Participating Contractor:
  - Fails to meet BISP requirements
  - Is found to have made material misrepresentations in the project documentation, or falsified a customer's signature
  - Has failed to comply with applicable federal, state and local laws and regulations

If the Implementer rejects a Customer Proposal or Project Application, the Implementer will notify the submitter and request specific information or require specific steps to revise the documents. The submitter may then submit the revised documents and the Implementer will consider it for approval by the date the new submission is received.

SWEPCO may also review the feasibility of the proposed measures, the accuracy of the savings estimates, and the comprehensiveness of the project. SWEPCO may request clarification of or additional information about any item in the Customer Proposal or Project Application. The submitter will have ten (10) business days to respond to such requests. If the clarification or additional information is not forthcoming, SWEPCO may choose to reject the project.



An AEP Company

The Customer or Project Applicant is required to sign the application before installing any measures.

After energy efficiency measures have been installed, the submitter must provide SWEPCO with a copy of the invoice for the project, and this invoice must include:

- An itemized description and quantity of each incentive-eligible product installed as part of the project
- The total cost of the project, including labor, material, and tax
  - It is the Contractor's responsibility to determine the tax amounts that apply to their project and are listed on their invoice

For projects where the Project Applicant or Participating Contractor receives the SWEPCO incentive: the Project Applicant or Participating Contractor must provide the customer-facing invoice as listed above but must also include a line-item discount titled "SWEPCO incentive" for the exact amount of the incentive paid by SWEPCO to the Project Applicant or Participating Contractor for the project in question. If the Project Applicant or Participating Contractor invoices the customer with an incorrect SWEPCO incentive listed as a discount, they **MUST** send the customer with a new invoice listing the correct SWEPCO incentive discount, provide a copy of this invoice to SWEPCO, and refund the customer any money they may have overpaid due to the incorrect discount listed on the previous invoice. Failure to comply with these rules may result in SWEPCO rejecting future Project Applications from said Project Applicant or Participating Contractor.

The Implementer may contact customers that have received facility surveys and/or Customer Proposals but have not begun a project. If the Implementer has contacted a customer and this customer is not interested in working with the Participating Contractor that provided the customer with a Customer Proposal or Project Application, the Implementer reserves the right to refer the customer to another Participating Contractor.

Customer Proposals and Project Applications will be accepted until:

- All Pathway funding is reserved for specific projects
- The Pathway completion date comes to pass
- The Pathway is discontinued for any reason

#### **5.1.4 Project Installation / Completion**

After completion and approval of the pre-installation inspection, project installation may begin.

For SBP Lighting & Lighting Controls and SBP Refrigeration Equipment & Upgrades projects, the Participating Contractor must notify the Implementer immediately of all changes to the project scope, equipment selection, or timeline during installation. **The Participating Contractor must complete the incentive-eligible work listed on the Customer Proposal or Project Application within sixty (60) calendar days of the customer's signature to receive Pathway incentives.**

All SBP Lighting & Lighting Controls projects submitted by Participating Contractors require complete documentation of the items below. Insufficient documentation could result in reduced savings or disqualification of the project:

- Pre-Installation photo documentation
  - Photo showing wattage and model of existing equipment
  - Photo of pre-existing fixture or equipment installed
  - Overall room photos
- Post Installation photo documentation
  - Clear photos showing model number and wattages for all installed fixtures and ballasts
  - Photo of efficient measures installed
  - Overall room photos of facility after installation
- Project Invoices or Shipping Receipts that contain legible part numbers and quantities for all project ballast, lamp, LED product and control equipment are required
- Signed Customer Proposal which matches final work scope (for projects submitted through the Field Tool), or signed Project Application (for projects submitted through the Commercial Project Portal)
- Other Project Information that are subject to quality control, upon the Implementer's request
  - Fixture Counts
  - Fixture Type
  - Fixture Location
  - Building Type
  - Number of Non-Operation Fixtures

Any fixtures or areas not represented at the time of project authorization will not be guaranteed funding. If additional fixtures are added after initial authorization, the Participating Contractor must provide detailed photo documentation. Any additional savings or funding will be at the discretion of the Implementer and subject to availability.

Eligible measures not currently integrated into the Field Tool that meet the requirements of Arkansas Public Service Commission's active Technical Resource Manual will be handled individually between the coordination of the Participating Contractor and the Implementer.

After the project has been installed, the Participating Contractor will notify the Implementer of the project's completion within two (2) business days to arrange a post-installation inspection of the project. The Participating Contractor is expected to work with the Implementer to confirm (and update if necessary) the project documentation for the now completed project.

### **5.1.5 Post-Installation Inspection**

SWEPCO may contact the Customer, Project Applicant, or Participating Contractor and conduct a post-installation inspection of the project site after receiving notice that the energy efficiency measures have been installed. The post-installation inspection requires the presence



of the Customer or their designated representative who is knowledgeable and familiar with the project and the facility. Using the most recent project documentation, the inspection shall verify that:

- The equipment specified in the Customer Proposal or Project Application has been installed and is operating as described. For most measures, the accuracy of the equipment quantity and nameplate information is verified.
- The M&V plan (if applicable) is being followed in accordance with the approved Project Application.

When electrical measurements are necessary, the representative(s) is required to perform any necessary disruptions in equipment operation, the opening of any electrical connection boxes, or the connection of current and power transducers. If the post-installation inspection cannot be completed in a timely manner because the representative(s) is unfamiliar with the facility or project, the project site will fail the inspection.

**This inspection shall not include evaluations of workplace safety or compliance with codes or laws.**

If the project is not selected for a post inspection, photo documentation provided by the Project Applicant or Participating Contractor will be used to verify completion of the project as indicated on the proposal.

For CoolSaver A/C Tune-Up, Commercial Smart Thermostat, HVAC Equipment, Refrigeration Equipment & Upgrade and SBP Lighting & Lighting Controls projects, Participating Contractors are required to submit photos for all completed projects, regardless of inspection status.

#### **5.1.6 Measurement and Verification (if applicable)**

Before the total incentive payment is made, the potential for the project measures to save demand and energy must be verified and the actual savings estimated. For non-deemed energy savings, these activities will be conducted in accordance with the M&V plan developed by the Implementer for the project.

M&V procedures will vary in detail and rigor depending on the measures installed. For each installed measure, the chosen procedures will depend upon the predictability of equipment operation, the availability of evaluation data from previous Pathways, and the benefits of the chosen M&V approach relative to its cost.

Project-specific M&V procedures may be classified according to three distinct approaches that represent increasing levels of detail and rigor:

- **Deemed savings:** Savings values are stipulated based on engineering calculations using typical equipment characteristics and operating schedules developed for particular applications, without on-site testing or metering. This approach can be used only for measures for which savings are relatively certain, such as lighting efficiency and

controls. The BISP complies with the governing version of the Arkansas TRM when determining deemed savings.

- **Simple M&V:** Savings values are stipulated based on engineering calculations using typical equipment characteristics and operating schedules developed for particular applications, *with some short-term testing or simple long-term metering*. For example, chiller energy and demand savings can be determined using the simple approach by comparing rated efficiencies of high-efficiency equipment to standard equipment and using kW spot-metering and simple long-term kWh metering.
- **Full M&V:** Savings are estimated using a higher level of rigor than in the deemed savings or simple M&V approaches through the application of metering, billing analysis, or computer simulation. These methods will need to be developed in accordance with the 2010 International Performance Measurement and Verification Protocol (IPMVP), which represents the starting point for standard industry practice. More information about the IPMVP may be found on the Internet at [www.ipmvp.org](http://www.ipmvp.org). Using the IPMVP as a guide, SWEPCO has developed several measure-specific guidelines to help ensure consistency and quality of the M&V performed by Project Applicants. Project Applicants will need only to adapt the guidelines to their specific projects to specify a project-specific M&V plan for the application stage.

The time required to complete M&V activities will range from less than a month, up to 12 months, depending on the approach chosen.

### 5.1.7 Project Close Out

Once the Implementer has verified that the project's energy efficiency measures have been successfully installed, the Implementer will approve the project incentive for payment by SWEPCO. **The incentive amount paid will be based on the verified installed energy efficiency measures or performed services, which may differ from the original amount reserved on the Customer Proposal or Project Application if there were product or work scope changes after the submission of the Customer Proposal or Project Application.**

Upon completion of any M&V activities for a project, SWEPCO will complete an M&V Report for non-deemed savings measures or a final calculation for deemed savings measures documenting the project's measured demand and energy savings. An approved M&V Report or final calculation will serve as the invoice for the remaining incentive payment. This payment is based on the project's verified savings minus the amount paid in the installation payment.

The Customer and other parties involved in completing the project may be contacted within twelve (12) months of project completion by SWEPCO's third-party evaluator, ADM, which conducts Customer and Contractor surveys over the phone to evaluate the success of SWEPCO's program. ADM does not ask for any personal or financial information from the Customer or other parties involved in completing the project.



An **AEP** Company

## Section 6: Quality Assurance

### 6.1 Customer Satisfaction

Customers are encouraged to contact Program managers listed in Section 7 of this manual to report any comments they have about their experience in the Program.

Participating Contractors are independent contractors (see Disclaimer) but it is SWEPCO's expectation that they provide excellent customer service while completing CIEEP and SBP projects for the Customer.

### 6.2 Quality Non-Conformance

Non-conformance occurs whenever the acceptable variance for a quality indicator is not met by a Participating Contractor. Examples of non-conformance include, but are not limited to, the following:

- Installed measures that do not comply with manufacturer's installation instructions
- Multiple instances of incorrect product quantity and/or product characteristics (wattage, fixture description, etc.) listed on project documents
- Multiple instances of submitting Customer Proposals or Project Applications for ineligible customers or ineligible measure
- A Participating Contractor or its employees representing themselves as a SWEPCO or Implementer representative or employee (see Disclaimer)
- Providing project invoices to Implementer that are inconsistent with project invoices provided to the customer
- Any intentional modification of a customer's facility in an attempt to improve the eligibility of a measure or service
- Failing to clean to the work site after project completion, including removal of waste and existing product removed as part of the project
- Failure to dispose of project waste in accordance with local, state, and national laws
- Failure to provide a customer with a Customer Proposal or Project Application upon request
- Falsifying a customer's signature on a Customer Proposal or Project Application
- Failure to provide a customer with a Customer Proposal or Project Application that includes all incentive-eligible services desired by the customer when those services are within the skill level and technical capability of the Participating Contractor
- Failure to provide Implementer with documents required by the 2023 BISP Participation Agreement within 30 calendar days of request
- Customer dissatisfaction



An AEP Company

### **6.3 Critical & Non-Critical Failures**

Critical issues are non-conformance issues which are deemed serious enough to move a Participating Contractor directly to a Corrective Action Plan which may include a suspension of certain participation benefits or removal from Pathway participation, at SWEPCO's sole discretion. Any such Corrective Action Plan will list the specific critical issues that have been documented by the Implementer and includes the corrective actions the Participating Contractor must take to continue participating in the Pathway after one or more specific critical issues have been documented by the Implementer. A Corrective Action Plan takes effect after a form documenting the critical issues and corrective actions is signed by both the Implementer and Participating Contractor. Failure by a Participating Contractor to sign a Corrective Action form within 30 calendar days of receipt may result in suspension or removal from Pathway participation.

Non-critical issues will be recorded in an Issue Log. If a Participating Contractor has repetitive non-critical issues reported on the Issue Log it will be deemed as a systemic issue and will be addressed with a Corrective Action Plan.

If for any reason the Participating Contractor loses the right to participate in the Pathway, the Field Tool will be remotely deactivated.

### **6.4 Termination of Incentive Eligibility**

SWEPCO, at its sole discretion, reserves the right to deny incentive funds for any Customer, Project Applicant, Participating Contractor or project at any time.

## **Section 7: BISP Contact Information**

For questions on Program implementation including inspections, payment questions, participation questions, etc., contact:

### **SWEPCO**

Greg Perkins

Phone: 479-973-2435

Email: gaperkins@aep.com

### **Implementer**

Ted Weintraut

Phone: 479-431-4698



An **AEP** Company

Email: [ted.weintraut@clearResult.com](mailto:ted.weintraut@clearResult.com)

## **Section 8: Confidentiality**

The BISP is subject to oversight by the Arkansas Public Service Commission (APSC), which may request a copy of any Program materials received by SWEPCO. Sensitive company and project information, such as financial statements, should be marked “Confidential” when submitted to SWEPCO. These materials will be treated confidentially and will not be provided directly to outside parties other than the APSC. SWEPCO will have no liability to any Customer, Project Applicant, Participating Contractor, or other party as a result of public disclosure of any submittals.

## **Section 9: Participation Costs**

SWEPCO will not reimburse any Customer, Project Applicant or Participating Contractor for any costs incurred by participating in the BISP, including costs of preparing the Project Application or reviewing the BISP Contractor Participation Agreement.

## **Section 10: Submission of False Information**

SWEPCO reserves the right to discontinue its evaluation of all submittals from any Project Applicant who, at the sole judgment of SWEPCO, submits false, misleading, or incorrect information.

## **Section 11: Equipment and Installation Standards**

Baseline equipment standards are in accordance with the latest, governing version of the Arkansas TRM, ASHRAE 90.1, and/or IECC standards.

## APPENDIX A: BISP Contractor Participation Agreement

COMPANY INFORMATION			
My company is applying to be a participating contractor in the following programs (check all that apply): <input type="checkbox"/> SWEPCO AR Business/Industrial Solutions Program			
Business Name:		Contact Name:	
Business Address:			Number of Employees:
City:	State:	Zip:	
Email:	Office Phone:	Mobile Phone:	
CERTIFICATION(S) & EXPERIENCE			
I am currently certified and have received training in the following areas (check all that apply):			
<input type="checkbox"/> AR Electrical License <input type="checkbox"/> AR Contractor's License <input type="checkbox"/> AR HVAC License			
I am currently experienced and ready to perform the following services. I acknowledge that some of these program measures require additional training verification (check all that apply):			
<input type="checkbox"/> Lighting Controls and Retrofits	<input type="checkbox"/> HVAC/Chiller Controls and Equipment Replacement	<input type="checkbox"/> VFD and Motor Retrofits	<input type="checkbox"/> Industrial Process or Equipment Upgrades
<input type="checkbox"/> Food Service Equipment	<input type="checkbox"/> Compressed Air Equipment and Repair	<input type="checkbox"/> Electric Vehicle Charging Stations	<input type="checkbox"/> Se Habla Español
<input type="checkbox"/> Refrigeration Equipment and Retrofits	<input type="checkbox"/> Architecture and Building Design	<input type="checkbox"/> Construction	<input type="checkbox"/> Other:
BUSINESS CAPABILITY:			
I confirm that I have the following to demonstrate business capability (not applicable for architectural or engineering firms):			
<input type="checkbox"/> Satisfactory Dun and Bradstreet Rating    DUNS ID:			
Or at least <b>TWO</b> of the following:			
<input type="checkbox"/> Banking reference*	<input type="checkbox"/> Three professional/trade references*	<input type="checkbox"/> Principals of Company have satisfactory credit score/no outstanding liens/judgments*	
*Use table below to complete required reference or principal information			
Banking Reference:			
Email:		Phone:	
Address:			
Reference/Principal Name 1:			
Email:		Phone:	
Address:			
Reference/Principal Name 2:			
Email:		Phone:	
Address:			
Reference/Principal Name 3:			
Email:		Phone:	
Address:			

## INSURANCE:

Contractor and any of its subcontractors shall maintain the following types of insurance at the following minimum levels of coverage for the life of this Agreement:

- Commercial General Liability covering bodily injury and property damage, minimum \$1,000,000 aggregate and per occurrence
- Automotive Liability covering owned, non-owned and hired vehicles, minimum \$1,000,000 combined single limit
- Workers' Compensation in accordance with statutory minimums, but including no less than Employer's Liability minimum \$500,000 aggregate and \$100,000 per occurrence and per employee

Contractor and subcontractors shall maintain any claims-based policy for at least three (3) years after the expiration or termination of this agreement. Each certificate of insurance shall list CLEAResult and Sponsor (as defined below) as additional insured on a primary, non-contributory basis. Contractor and subcontractors shall waive all rights of recovery against CLEAResult, Sponsor, and any of their respective affiliates for any loss or damage covered by the policy. Evidence of this requirement shall be noted on all certificates of insurance provided to CLEAResult.

Yes

Contractor certificate of insurance is attached

## Program Overview

From January 1, 2023, until December 31, 2023, CLEAResult is implementing the American Electric Power d/b/a Southwestern Power Company – Arkansas (“AEP SWEPCO AR”) Business/Industrial Solutions Program (the “Program”) to improve the energy efficiency of commercial facilities located within AEP SWEPCO AR’s Arkansas service territory. AEP SWEPCO AR contracted with CLEAResult to promote and administer the program.

This Program is funded by Arkansas utility ratepayers under the auspices of the Arkansas Public Utilities Commission and administered by AEP SWEPCO AR. CLEAResult is in the business of implementing energy efficiency programs funded by utility ratepayers such as AEP SWEPCO AR’s ratepayers. CLEAResult is responsible for recruiting qualified contractors to perform services under the Program and manage the implementation of the Program. The Program pays contractors incentives to provide energy efficiency measures, that is, to provide products or services to customers that save energy and reduce energy demand.

## Enrollment Instructions

**Step 1:** Complete a Contractor Participation Agreement.

**Step 2:** Complete a W-9

**Step 3:** Submit completed Contractor Participation Agreement, W-9, certificate of insurance, and copies of required licenses and/or training certificates (if applicable) via email or mail:

Email: [info@swepcosavings.com](mailto:info@swepcosavings.com)

Mail: AEP SWEPCO AR Business/Industrial Solutions Program  
CLEAResult Consulting Inc.  
P.O. Box 9567  
Fayetteville, AR 72703

**Step 4:** Submit certificates of insurance and copies of required licenses and/or training certificates (if applicable) at least annually, and upon any material revisions or cancellations, to CLEAResult via email or mail listed above.

After your Agreement is received, a Program representative will contact you to confirm receipt and continue the enrollment process. Contractors do not become participating contractors until they complete required administrative and field trainings and receive confirmation of participation from the Program manager. Contractor eligibility is at the sole discretion of the Program. Participation in the Program and this Contractor Participation Agreement are subject to the CLEAResult Standard Terms and Conditions for Participating Contractors.

**CONTRACTOR AGREED AND ACCEPTED**

I have read and understood the Contractor Participation Agreement and the CLEAResult Standard Terms and Conditions for Participating Contractors and certify that the information I have provided is true and correct.

Signature:	Date:
------------	-------

Name (printed):	Title:
-----------------	--------

**CLEAResult CONSULTING INC., AND/OR AN AFFILIATE THEREOF AGREED AND ACCEPTED**

Signature:	Date:
------------	-------

Name ( <i>printed</i> ):
--------------------------

Title:
--------



## STANDARD TERMS AND CONDITIONS FOR PARTICIPATING CONTRACTORS

---

These CLEAResult Standard Terms and Conditions for Participating Contractors and the Contractor Participation Agreement (collectively, the “**Agreement**”) are made and entered into by and between CLEAResult Consulting Inc., a Texas corporation and/or an affiliate thereof (“**CLEAResult**”), and \_\_\_\_\_ (“**Contractor**”). CLEAResult administers the AEP SWEPCO AR Business/Industrial Solutions Program (the “**Program**”) on behalf of American Electric Power d/b/a Southwestern Power Company (“**Sponsor**”) to provide energy efficiency services to eligible Sponsor customers (each, a “**Customer**”). The parties hereby agree as follows:

1. **TERM.** This Agreement is effective upon the date it is executed by both parties and will continue for the duration of the Program (the “**Program Period**”), unless earlier terminated in accordance with the provisions in this Agreement.
2. **ELIGIBILITY.** The Program determines eligibility of contractors at its sole discretion. CLEAResult may request from Contractor verification of its eligibility requirements at any time during the Program Period. Contractor acknowledges and agrees that participation in the Program shall not constitute an endorsement by CLEAResult of Sponsor of Contractor or Contractor’s services.
3. **PROGRAM MATERIALS.** CLEAResult will provide the Contractor with branded Program materials, as applicable, and Customer data exclusively for use for the Program and during the Program Period. Contractor shall not use the trademarks, logos or other intellectual property of CLEAResult, Sponsor or any of their affiliates without prior written approval by CLEAResult or Sponsor, as applicable.
4. **INSPECTIONS.** CLEAResult or Sponsor may inspect any or all work performed by Contractor, with or without notice to Contractor, and by any means CLEAResult or Sponsor may select, including accompanying Contractor to a Customer’s location. Failure of Contractor to meet quality standards will be grounds for termination of this Agreement. Contractor agrees to cooperate with CLEAResult and Sponsor and use its best efforts to allow CLEAResult or Sponsor access to the Customer’s location for this purpose. Contractor also agrees to remedy any issue(s) arising from auditing and monitoring results at no additional cost within the timeframe provided by the Program.
5. **RECORDKEEPING.** Contractor shall maintain hard copy or digital records of all work performed and products installed under this Agreement for a minimum of three (3) years from the time the work is performed, including records of data collected, visits made, materials furnished or installed, individual staff providing the services, costs incurred, invoices, and agreements. Copies of these records shall be made available to CLEAResult within five (5) business days upon request.
6. **INCENTIVE PAYMENT.** Contractor acknowledges that incentives will be paid by Sponsor only if: (a) Customer(s) and installed measure(s) or services meet the Program eligibility requirements and the requirements outlined by the Program; (b) measures are installed in eligible project sites; and (c) measures are installed at a project site that has not received incentives from any other of Sponsor’s energy efficiency programs for the same measure(s). Contractor understands that Sponsor, in its sole discretion, may withhold incentive payments committed to a Customer and Contractor if a project site is proven ineligible or a project otherwise does not comply with the requirements set forth by the Program. If applicable, Contractor agrees that CLEAResult shall not make any incentive payment to Contractor until CLEAResult receives a corresponding payment from Sponsor. In addition, Contractor agrees that all incentives paid under this Program are available on a first-come, first-served basis until allocated funds are depleted.
7. **SERVICES AND MATERIALS WARRANTY.** Contractor shall warranty services and materials provided by Contractor and installed pursuant to this Agreement against any defect in materials, manufacture, design or installation for a period of one (1) year for the latter of the date the materials are provided and/or installed.
8. **PERFORMANCE.** Contractor, its employees, agents and subcontractors, agrees that: (a) the services performed for a Customer through the Program shall be performed in a good workmanlike, skilled, and professional manner; (b) the services shall comply in all material respects with the specification and other requirements set forth in each applicable contract with a Customer and in strict accordance with the Program and this Agreement; (c) Contractor’s performance of the services shall not violate any applicable law, rule, regulation, contracts with third parties; and (d) Contractor currently has in effect, and will keep in effect throughout the term of this Agreement, insurance in the forms and amounts and with insurance companies acceptable to CLEAResult in no event less than the minimum insurance levels set forth in this Agreement. Contractor is solely responsible for any damage incurred by Customer as a result of Contractor’s services under the Program. Neither CLEAResult nor Sponsor is responsible for Customer complaints or damages.
9. **CONFIDENTIALITY.** Contractor will have access to Confidential Information (as defined below) by participating in this Program. Contractor will not use any Confidential Information for any purpose other than as needed to perform Contractor’s obligations in connection with this Agreement and the Program.
  - a. Contractor will hold all Confidential Information in strict confidence and will not disclose any Confidential Information to any person other than to its employees and independent contractors who: (a) have a “need to know;” (b) have been advised of the confidential and proprietary nature of the Confidential Information; and (c) are subject to confidentiality obligations at least as protective of the Confidential Information as that set forth in this Section; except as compelled by court order or otherwise required by law. If Contractor is required by law to disclose Confidential Information, Contractor will immediately notify CLEAResult and cooperate with CLEAResult to obtain a protective order or other appropriate remedy to maintain the confidentiality of the information. Contractor agrees to comply with the Data Security Policy, attached and incorporated as [Exhibit A](#).
  - b. The term “**Confidential Information**” means all Customer data and all information and materials relating to CLEAResult’s or Sponsor’s business, in whatever form or medium, disclosed to or received by Contractor, whether visually, by perception, orally or in writing, whether disclosed before or after the Effective Date, and whether or not specifically marked or otherwise identified as “Confidential” or “Proprietary.”

10. **INSURANCE AND LICENSING.** Contractor shall provide CLEAResult with all applicable certificates of insurance for itself and any of its subcontractors before performing any work for the Program. Contractor will provide CLEAResult with updated insurance certificates as appropriate but no less frequently than every time a policy required under this Agreement is renewed or modified. Contractor shall provide CLEAResult with at least thirty (30) days' prior written notice before an insurance policy required by this Agreement is reduced, cancelled, or expires. At all times during the Program Period, Contractor and its agents and subcontractors shall retain all necessary licensures, certification, training, and other requirements as deemed necessary by law, the Program policies and guidelines, and all relevant documentation pertaining to the installation of the energy efficiency measures and will provide immediate access to such documentation to CLEAResult and Sponsor upon request.
11. **MECHANICS LIENS.** Contractor shall not file any lien or claim against any Customer's property and shall keep each Customer's property free of liens and claims filed by subcontractors and vendors of subcontractors and others claiming by or through Contractor, and shall defend, indemnify and hold CLEAResult, Sponsor, and any Customer harmless from all expenses and losses incurred as a result of any such liens of claims. If a lien or claim is filed by a vendor or subcontractor, Contractor shall cause such lien to be discharged or bonded off within forty-eight (48) hours of notice by CLEAResult. If contractor fails to do so, CLEAResult may, without prejudice to any other remedies available at law, pay all sums necessary to obtain a release or discharge of such lien and deduct those sums, including costs, expenses and reasonable attorney's fees, from amounts due or to become due to Contractor.
12. **INDEPENDENT CONTRACTOR.** Contractor is an independent contractor in relation to CLEAResult and Sponsor and is voluntarily participating in the Program to deliver the services as outlined by the Program directly to Customers. This Agreement shall not create the relationship of employer and employee, a partnership, or a joint venture. CLEAResult and Sponsor shall not control or direct the details or the means by which Contractor performs any services under this Agreement. Contractor will pay all of its administrative, overhead, and other costs, including withholding taxes, social security, unemployment, disability, health, workers' compensation, or other insurance coverage. Contractor understands that participation in the Program does not constitute an endorsement of any kind on the part of CLEAResult or Sponsor and shall not state or imply any such endorsement, either directly or indirectly, in written or verbal form.
13. **INDEMNITY; LIMITATION ON DAMAGES.** Contractor shall defend, protect, indemnify, and hold harmless Sponsor and CLEAResult, their respective officers, directors, agents, and employees, and each of their parents and affiliates, and each of their respective officers, directors, agents, and employees (collectively, the "**Indemnified Parties**") from and against any and all claims, losses, expenses, attorneys' fees, damages, demands, judgments, causes of action, suits, and liability in tort, contract, or any other basis and of every kind and character whatsoever, whether actual or alleged ("**Claims**"), arising out of Contractor's, or its agents or subcontractors, acts or omissions, including but not limited to any violation of labor or employment laws, incident to or related in any way to, directly or indirectly, the services provided in connection with the Program or this Agreement. Contractor acknowledges and agrees that with respect to any Claims brought against the Indemnified Parties, Contractor will be required to waive as to the Indemnified Parties any defense it may have by virtue of the Workers' Compensation Laws of any state, to the extent allowed by law. CLEAResult AND SPONSOR SHALL NOT BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE PERFORMANCE OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO, LOSS OF ANTICIPATED REVENUE, PROFITS, OR GOODWILL, WHETHER ARISING IN NEGLIGENCE, BREACH OF CONTRACT, OR UNDER STATUTE OR RULE. The parties agree that Sponsor is a third-party beneficiary of this Section. Contractor agrees that CLEAResult shall be entitled to set-off, against the amounts that it is required to pay Contractor, the amount of any indemnification to which it is entitled under this Section 13.
14. **TERMINATION.** Contractor agrees that CLEAResult may terminate this Agreement at any time and for any reason, including, without limitation, for Contractor's noncompliance with the Program guidelines, any law, or any provision of this Agreement. Upon termination of this Agreement, Contractor shall immediately cease participating in the Program. CLEAResult will not pay Contractor any incentives for post-termination activity. In the event of termination for cause, Contractor shall be liable to the Program for any and all damages sustained by reason of the default that gave rise to termination. In the event either party terminates this Agreement, CLEAResult shall have the right to assign to another contractor the responsibility for completion of any work not completed by Contractor prior to the effective date of termination in compliance with this Agreement prior to the date of termination. Contractor agrees that CLEAResult may withhold payments for work completed by Contractor for a period of up to one (1) year from the effective date of termination, or expiration of this Agreement, to ensure funding is available for any damages, claims, or deficiencies discovered after termination or expiration. If the amount of CLEAResult's claims or damages against Contractor exceeds the unpaid amount earned by Contractor, CLEAResult shall notify Contractor, and Contractor shall pay CLEAResult the difference within thirty (30) days after receipt of such notification.
15. **NOTICE.** Any notice required to be given under this Agreement shall be deemed given when placed in the mail and mailed by overnight registered mail via a nationally recognized courier (e.g., USPS, FedEx, UPS) and postage prepaid. Notice to CLEAResult shall be to Attn: Legal Department, 100 SW Main St., Suite 1500, Portland, OR 97204. Notice to Contractor shall be to the address provided above.
16. **MISCELLANEOUS.** This Agreement shall be governed by and construed under the laws of the State of Arkansas, without regard to conflict of law rules. Any dispute or claim that relates to this Agreement shall be resolved by arbitration by the American Arbitration Association in accordance with its Commercial Arbitration Rules and judgment upon the award rendered pursuant to such arbitration may be entered in any court with jurisdiction. The parties acknowledge that mediation helps parties settle their disputes and any party may propose mediation whenever appropriate through the American Arbitration Association or any mediator selected by the parties. Contractor shall not assign or this Agreement or any of its duties hereunder without the prior written permission of CLEAResult pursuant to the Subcontractor Authorization Form, attached and incorporated as **Exhibit B**. The failure of either party to enforce strict performance by the other of any provision of this Agreement, or to exercise any right available to the party under this Agreement, shall not be construed as a waiver of such party's right to enforce strict performance in the same or any other instance. This Agreement supersedes all previous signed agreements between the parties and sets forth the entire agreement of the parties with respect to the subject matter hereof and may not be altered, changed abridged or amended other than in writing signed by the parties.

## EXHIBIT A – DATA SECURITY POLICY

---

1. Applicability. This Data Security Policy applies to the use and storage of any “Program Data,” which shall mean:
  - a. All data or information provided, transferred, uploaded, migrated or otherwise sent to Contractor by or on behalf of CLEAResult or Sponsor in connection with this Agreement or a Program; and
  - b. Any account number, forecast, or other similar information of any customer of Sponsor disclosed to or otherwise made available to Contractor by or on behalf of CLEAResult, Sponsor, or any customer of Sponsor.
2. Use and Storage of Program Data
  - a. Contractor will comply with (i) all applicable international, federal, state, provincial and local laws, rules, regulations, directives and governmental requirements currently in effect and as they become effective relating in any way to the privacy, confidentiality or security of Program Data (“Privacy and Data Security Law”), and (ii) all applicable industry standards concerning privacy, data protection, confidentiality or information security.
  - b. Contractor shall not store, maintain or process any Program Data outside the country.
3. Implementer System Access. Contractor agrees that it may have access to CLEAResult’s network, including but not limited to any server, intranet, or other type of information storing and sharing device or conduit owned or operated by CLEAResult (the “Network”), solely for the purpose of meeting its obligations under the agreement. Contractor agrees that access for other purposes, or the use of the Network to access other networks, is not permitted and that Contractor is responsible and liable for all damages or unauthorized access resulting from these actions. Such activity will result in the discontinuation of any and all connections to the Network and termination of the Agreement. Contractor agrees that any use of the Network will be solely for necessary business purposes. Contractor and its employees shall not introduce any viruses, worms, Trojan horses or other bugs or errors in the network. CLEAResult reserves the right to monitor Contractor’s use of the Network. Contractor further agrees that any information that it obtains from access to the Network is Program Data. CLEAResult and Contractor agree that, in the event of a breach or threatened breach of this section, CLEAResult shall be entitled to specific performance of the provisions of this Data Security Policy and the Agreement, including an injunction prohibiting any such breach. Any such relief will be in addition to and not in lieu of any other appropriate relief in the way of money damages or otherwise. CLEAResult reserves the right, in its sole discretion, to terminate Contractor’s access to and use of the Network at any time, for any reason, and without notice to Contractor.
4. Security Controls
  - a. In addition to any other requirements set forth herein, Contractor will establish and implement appropriate administrative, technical and physical safeguards (i) to ensure the security and confidentiality of Program Data, (ii) to protect against any anticipated threats to the security or integrity of Program Data, and (iii) to ensure that Program Data is not disclosed contrary to the provisions of this section or any applicable Privacy and Data Security Law.
  - b. In addition to the specific requirements of this section, Contractor will develop, implement and maintain a comprehensive data and systems security program (“Security Program”). Such Security Program shall include, but shall not be limited to, reasonable and appropriate technical and organizational security measures, procedures and practices against the destruction, loss, unauthorized access or alteration of Program Data, including but not limited to:
    - i. Written policies regarding information security, disaster recovery, third-party assurance auditing, penetration testing;
    - ii. Password protected workstations at Contractor’s premises, any premises where the Contractor is performing its obligations under the agreement, and any premises of any third party who has access to Program Data;
    - iii. Encryption of Confidential Information (as defined in the Agreement), including but not limited to any personally identifiable information of customers of Sponsor; and
    - iv. Measures to safeguard against the unauthorized access, destruction, use, alteration or disclosure of any Program Data including, but not limited to, restriction of physical access to Program Data, implementation of logical access controls, sanitization or destruction of media.
5. Security Breach. Contractor shall notify Implementer immediately (and, in any case, within twenty-four (24) hours) in writing of any actual, threatened or imminent breach of this Data Security Policy (regardless of whether there is any identified disclosure, compromise, loss, or damage to Program Data) or any other unauthorized use, disclosure or acquisition of or access to, or loss of any Program Data of which Contractor becomes aware. Such notice will summarize in reasonable detail the effect on CLEAResult, Sponsor, and customers of Sponsor, if known, of the breach or unauthorized use, disclosure or acquisition of, or access to, or loss of any Program Data and the corrective action taken or to be taken by Contractor. Contractor will promptly take all necessary corrective actions, and will cooperate fully with CLEAResult in all reasonable and lawful efforts to prevent, mitigate or rectify such breach or unauthorized use, disclosure, acquisition, access or loss, all at Contractor’s sole expense, including developing and distributing notices, in writing, to affected persons as required by applicable law, rule, regulation or order or as Implementer may otherwise deem necessary or advisable.

## EXHIBIT B – SUBCONTRACTOR AUTHORIZATION

---

By signing below, \_\_\_\_\_ (“Contractor”) requests and CLEAResult Consulting Inc. (“CLEAResult”) consents to Contractor engaging with \_\_\_\_\_ (“Subcontractor”) to perform services subject to the Contractor Participation Agreement, dated \_\_\_\_\_, between Contractor and CLEAResult (the “Agreement”), subject to the terms and conditions of this Subcontractor Consent Form (this “Form”). Any capitalized terms not defined in this Form shall have the meaning described in the Agreement.

1. Effective Date. This Form is effective upon signature by both parties.
2. Contractor Warranty. Contractor represents and warrants that Subcontractor shall not perform any Work until Subcontractor has signed a written agreement to meet the obligations of Contractor under the Agreement. Contractor shall remain liable to CLEAResult and Sponsor for any failure of Subcontractor to comply with the Agreement.
3. Subcontractor Insurance. Contractor shall provide to CLEAResult a certificate of insurance for Subcontractor that meets the requirements of the Agreement, including but not limited to each minimum coverage amount specified in the Agreement and including CLEAResult as an additional insured.

CLEAResult

Contractor

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_