



Custom Power Saver Rebate Program

Qualification Standards (January 1, 2006– December 31, 2006)

Eligible Customers: The Custom Power Saver Rebate Program is available to larger commercial, industrial or agricultural customers that receive electric service from MID. Accounts billed on GS-1, FL or SL rate schedules are not eligible for this program.

Eligible Applicants: Any eligible customer may submit an application. Applicants may choose to install the project(s) using in-house staff or a contractor. MID does not maintain a list of companies whose products may qualify for a Custom Rebate.

Eligible Projects: Almost any project that involves replacement of existing equipment or systems with high-efficiency equipment may be eligible for Custom Power Saver Rebate. Projects are subject to review and acceptance by MID and must:

- reduce power demand and energy usage during MID's summer peak period, which is from 2-6 p.m. weekdays, May – September, and
- operate for a minimum of three years after installation, and
- not be completed prior to submitting an application, and
- be completed within one year of submitting the rebate application, and
- not be otherwise eligible for a Commercial Power Saver Rebate.

MID reserves the right to determine final program eligibility for any proposed project.

Ineligible Projects: Projects that are not eligible for Custom Power Saver Rebate include new construction, electrical generation, fuel switching, power conditioners, uninterruptible power supply (UPS) systems, power factor correction equipment, voltage reduction systems and "black box" technologies. Projects that cannot reasonably be expected to operate for at least three years are not eligible, such as routine maintenance, operational changes, and equipment that is not installed permanently, or is readily removable without the use of tools. Also ineligible are projects that previously received a Custom Power Saver Rebate, but are still within the useful life period of that project.

Minimum Application Size: The minimum application size is \$250. In the case of small projects, it is suggested that applicants combine various energy efficiency measures into a single application where possible.

Baseline Usage: The energy savings from an eligible project are calculated relative to a baseline usage amount. Where applicable, minimum federal-and state-mandated energy efficiency standards will define the baseline usage. Where no such standards exist, other methods may be used to determine the baseline usage, such as historical billing data, subject to MID review and acceptance.

Estimating Energy Savings: The applicant is responsible for determining the energy savings from the project. The applicant's Measurement and Verification (M&V) Plan for documenting the project's energy savings must be reviewed and accepted by MID and can be based on either engineering calculations or actual measurements.

- **Calculation:** This method requires a calculation using estimating software or accepted engineering practices. MID may require certain minimal measurements at the time the project is installed.
- **Measurement:** This method requires that measurements be taken to determine the savings. Measurements could include energy consumption, hours of operation, flow rates, temperatures, or other similar parameters related to energy savings.

Only direct effects can be included in the estimated energy savings. In addition, for projects that qualify for a rebate of \$10,000 or more, the savings estimate must be reviewed and stamped by a State of California licensed engineer of an appropriate discipline. This requirement can be waived, at District discretion, in cases where the savings can readily be documented (ex: by direct measurement).

Performance Period: The Custom Power Saver Rebate includes an initial performance period of up to twelve months as a means to ensure that the energy savings from accepted projects has been achieved. For projects

with calculated savings, the performance period is typically six months; for projects with measured savings it is typically twelve months. The M&V requirements during the performance period are project specific.

Inspection Period: MID reserves the right to inspect a project during the three years that it must operate to qualify for a Custom Rebate. Inspections will be made upon prior notice given to the applicant and may include measurements to verify energy savings.

Rebate Amount and Caps: Rebates are determined per project, subject to the overall payment caps. The total rebate paid on any application will be limited to the lowest of:

- 50% of the total cost of the project(s) included in the application, or
- \$500 per kilowatt (kW) reduced.

In addition, the annual rebate limit for commercial, industrial, or agricultural customers is 2.5% of the customer account's annual electric bill from the previous year, or \$10,000, whichever is higher.

Payment Terms: The total rebate will generally be paid in two installments, although it may be paid in a single installment at the sole discretion of MID. The first payment (typically 50%) is made upon completion of installation of the new equipment. The second payment (remaining balance) is made upon completion of the stipulated performance period (including M&V) and a site inspection by MID to verify continued operation of the new equipment.

Payment Adjustment: The total rebate received by an applicant may be lower than the original estimate. The total rebate paid for a project is based on its actual installation and operation. Thus, the total rebate paid can vary between 0 and 110% of the amount indicated in the Acceptance Letter. The total estimated rebate might be adjusted as a result of site inspection(s) that follow project installation. For example, if equipment is not installed, is taken out of service, or if the equipment configuration or operation is changed, the total rebate may be adjusted accordingly.

Payment Subject to Refund: The rebate is paid on the basis that the resultant energy savings will persist for a minimum of three years after project installation. In the event that the energy savings from a rebated project become significantly reduced or cease altogether during that time period, the rebate may become subject to a pro-rata refund from the customer to MID. The proration factor shall be based on the remainder of the three-year time period for energy savings.

Overall Process: To receive a Custom Power Saver Rebate, an applicant must follow the multi-step process described below.

1. **Application:** An application is completed and submitted to MID. The application should convey all the relevant information necessary for MID to determine a project's eligibility for a Custom Rebate.
2. **Pre-Installation Site Inspection:** MID may conduct a site inspection following an initial review of the Project Application. The purpose of the site inspection is to verify the existing conditions to determine the accuracy of the savings estimates. If the existing equipment has been removed, or is non-operational, the application may not be accepted.
3. **Acceptance Letter:** The acceptance letter informs the customer that their application has been accepted for a Custom Power Saver Rebate and indicates the estimated rebate amount.
4. **Post-Installation Site Inspection:** Following notification by the customer that the project has been installed, MID may conduct a site inspection. The purpose of this inspection is to verify that the project is installed and operating as described in the application. The total estimated rebate amount may be adjusted at this time if the project varies from the application.
5. **First Payment:** For all eligible projects, the first installment of the total rebate is paid following the post-installation site inspection.
6. **Post-"Performance Period" Site Inspection:** Following notification by the customer that the required performance period has been completed, MID may conduct a site inspection. The purpose of this inspection is to verify that the project is operating as described at the time of the post-installation site inspection. The total estimated rebate amount might also be adjusted at this time if the project has been modified.
7. **Second Payment:** The remaining balance of the total rebate is paid following the post-"performance period" site inspection.

Important Dates, Deadlines, and Limitations for Program:

Program Opens: January 1, 2006

Application Deadline: December 31, 2006. Applications and supporting material must be received by MID, or if mailed, postmarked by the United States Post Office, by this date.

Installation Deadline: Within one year of application or by the approved extension date.
In the event the applicant has made substantial progress to install the project by their original deadline, but cannot complete it by that date, the applicant may request an extension of up to six (6) months, subject to MID approval.

Limitations: Rebates may be limited by the availability of MID budgeted funds.
MID is not responsible for any taxes that may be imposed on the applicant as a result of this rebate.
For the purpose of calculating the rebate cap, the annual power bill is net of taxes, CEC surcharge, and late fees. The project cost is net of taxes and shipping.
MID reserves the right to periodically review and make changes to the Custom Power Saver Rebate Program and to determine final program eligibility.

Where To Submit An Application:

Modesto Irrigation District
Attn: Energy Management Department
P.O. Box 4060
Modesto, CA 95352-4060
Physical Address: 1231 11th St., Modesto, CA

For More Information:

World Wide Web: www.mid.org
E-Mail: energyservices@mid.org
Phone: (209) 526-7339

Or contact your MID Major Account Representative.

Supporting Documentation

Please attach supporting documentation, including (but not limited to) the following items:

- Complete description of the proposed project, including definitions of the established or assumed baseline usage and details about the proposed equipment (provide manufacturer’s specification sheets, if possible).
- Assumptions and methodology used to calculate estimated project costs.
- Assumptions and methodology used to calculate estimated peak demand and annual energy savings.
- Printout of the results from the software program used to quantify the energy savings estimates.
- Proposed Measurement and Verification (M&V) Plan for documenting energy savings.

MID, and/or its designated technical consultants, reserve the right to request additional supporting documentation as deemed necessary to determine project eligibility.

Customer Acceptance of Terms (must be completed to apply for rebate)

I certify that I will purchase and install the indicated energy-saving projects for use in my business facility and not for resale. I agree to verification by MID of sales receipts, project installation, and project performance. I have read and understand the requirements set forth in the Custom Power Saver Rebate Program Qualification Standards, and warrant and represent that all information given is correct.

Applicant Signature _____

Date _____

Owner Signature (if renting or leasing) _____

Date _____

**Send completed application to:
MID Energy Management Dept., P.O. Box 4060, Modesto, CA 95352-4060**

For MID Use Only:

Tracking Numbers				
<i>Date Received</i>	<i>Application Number</i>	<i>Account Number</i>	<i>Location Number</i>	<i>Meter Number</i>

Inspections			Savings		
<i>Type</i>	<i>Date</i>	<i>Inspector</i>	<i>Stage</i>	<i>Peak Pd. kW</i>	<i>Annual kWh</i>
Pre-Installation			Application		
Post-Installation			Post-Installation		
Post-Performance Period			Final		

Rebate Payment(s)			
<i>Installment</i>	<i>Amount</i>	<i>Authorized By</i>	<i>Date</i>
First (1 of 2)			
Second (2 of 2)			
Single (1 of 1)			