

SCHEDULE NO. A-125

ENERGY FINANSWER

PURPOSE:

Service under this Schedule is intended to maximize the efficient utilization of the electricity requirements of new and existing loads in Commercial and Industrial Facilities by promoting the installation of Energy Efficiency Measures. Program services and incentives are subject to funding availability.

APPLICABILITY:

To service under the Company's General Service Schedules A-25, A-32, A-33, A-36, AT-47, AT-48, LS-53, LS-58,OL-42, and PA-20 in all territory served by the Company in the State of California. This Schedule is not applicable to existing Commercial Buildings under 20,000 square feet. Square footage is the total Building or Facility area served by the Company's meter(s).

DEFINITIONS:

Annual kWh Savings: The annual kilowatt-hour (kWh) savings resulting from installation of the Energy Efficiency Measures, as estimated by Company using engineering analysis.

Average Monthly kW Savings: The Average Monthly kilowatt (KW) savings resulting from the installation of Energy Efficiency Measures as estimated by Company using engineering analysis as described below:

Average monthly KW Savings = (baseline average monthly kW - proposed average monthly kW), where:

- ⇒ Average monthly kW = sum of the 12 Monthly Maximum kW/12, where
- ⇒ Monthly Maximum kW = highest of all 15 minute average kW (as determined below)
- ⇒ 15 minute average kW = sum of kWh used over 0.25 hrs /0.25 hrs

Baseline Level:

Baseline Adjustments: Company may adjust baseline electric energy consumption and costs during engineering analysis to reflect any of the following: energy codes, standard practice, changes in capacity, changes in production or facility use and equipment at the end of its useful life. For existing fixtures, baseline wattages for all fluorescent lighting Energy Efficiency Measures in all facilities shall be the lesser of existing equipment or the energy efficient magnetic ballast and energy saving lamp combination listed in the lighting table available on the California energy efficiency program section of the Company web site.

Commercial Building: A structure that is served by Company and meets the applicability requirements of this tariff at the time an Energy Efficiency Incentive Agreement is executed which does not meet the definition of an Industrial Facility.

Commissioning: The process of verifying and documenting that the performance of electric energy using systems meets the design intent and owner's operational requirement.

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DEFINITIONS: (Continued)

Customer: Any party who has applied for, been accepted and receives service at the real property, or is the electricity user at the real property.

Energy Efficiency Incentive: Payment of money made by Company to Owner or Customer for installation of an Energy Efficiency Project pursuant to an executed Energy Efficiency Incentive Agreement.

Energy Efficiency Incentive Agreement: An agreement between Owner or Customer and Company providing for Company to furnish Energy Efficiency Incentive with respect to Energy Efficiency Project pursuant to this tariff schedule.

Energy Efficiency Measure (EEM): A permanently installed measure specified in an Energy Efficiency Incentive Agreement which can improve the efficiency of the Customer's electric energy use. EEMs designed to primarily reduce Average Monthly kW must also reduce electric energy use to be eligible for Energy Efficiency Incentives.

Energy Efficiency Measure (EEM) Cost:

New construction: EEM Cost is the total installed cost of the energy efficient equipment or system minus the cost of the code compliance/common practice equipment or system.

Major Renovation: EEM Cost is the total installed cost of the energy efficient equipment or system minus the cost of the code compliance/common practice equipment or system.

Retrofit: EEM Cost is the total installed cost of the energy efficiency equipment or modification.

In the case of new construction, major renovation and retrofits, EEM Costs shall mean the Owner or Customer's reasonable costs incurred (net of any discounts, rebates or incentives other than Energy Efficiency Incentives from the Company, or other consideration that reduces the final actual EEM Cost incurred by the Owner or Customer) to purchase and install EEMs at the Owner or Customer's facility. If the Owner or Customer installs the EEM then the cost of installation shall be equal to the Owner's or Customer's actual labor costs for such installation.

Energy Efficiency Project: One or more EEM(s) covered by one Energy Efficiency Incentive Agreement. Annual kWh and Average Monthly kW savings for an Energy Efficiency Project shall be the sum of the individual EEM values.

Energy Efficiency Project Cost: Energy Efficiency Project cost shall be the sum of the individual EEM costs.

Industrial Facility: Buildings and process equipment associated with manufacturing. Equipment associated with irrigated agriculture is considered an Industrial Facility.

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DEFINITIONS: (Continued)

Mixed Use: Buildings served by a residential schedule and a rate schedule listed under **Applicability** shall be eligible for services under this schedule provided the Energy Efficiency Project meets the definition of New Construction or Major Renovation.

New Construction: A newly constructed facility or newly constructed square footage added to an existing facility.

Major Renovation: A change in facility use type or where the existing system will not meet Owner/Customer projected requirements within existing square footage.

Owner: The person who has both legal and beneficial title to the real property specified in an Energy Efficiency Incentive Agreement or who is the mortgagor under a duly recorded mortgage or the grantor under a duly recorded deed of trust or a purchaser under a duly recorded agreement with respect to such real property.

Retrofit: Changes, modifications or additions to systems or equipment in existing facility square footage.

Supplemental Services Agreement: An agreement between Owner or Customer and Company providing for Company to furnish Supplemental Services with respect to Supplemental Services section of this Tariff Schedule.

INCENTIVES FOR ENERGY EFFICIENCY PROJECTS:

The Energy Efficiency Incentive made by the Company for installation of EEMs pursuant to an Energy Efficiency Incentive Agreement shall be determined per Table 1.

Design team incentives are available per Table 1 and the terms posted on the California energy efficiency program page of the Company Web site.

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INCENTIVES FOR ENERGY EFFICIENCY PROJECTS: (Continued)

Table 1

Program track	Design Assistance	Energy Analysis	Energy Analysis	Energy Analysis
Project Scope	Whole Building	System/EEM	System/EEM	System/EEM
Type	New Construction/ Major Renovation	New Construction/ Major Renovation	New Construction/ Major Renovation	Retrofit
Energy code applies	Yes	Yes	No	No
Owner/Customer Energy Efficiency Incentive				
Incentive	See Instructions	\$0.12/kWh Annual kWh Savings + \$50/KW Average Monthly KW Savings		
Owner/Customer Energy Efficiency Incentive caps applied to the Energy Efficiency Project				
% of project cost cap	None	50%	50%	50%
Simple payback cap	None	1 year (if the incentive brings the simple payback below one year, the incentive is reduced so the simple payback equals one year)		
Additional requirements				
Energy savings threshold	Must exceed code by 10% - whole building electric basis	Qualifying equipment must exceed code	None	None
Lighting energy savings limit	75%	50%	50%	50%
Design team incentives				
Honorarium	Yes	Yes	Not available	Not available
Design Incentive	Based on project size	Not available	Not available	Not available

All proposed Energy Efficiency Measure Costs are subject to Company review and approval prior to offering an Energy Efficiency Incentive Agreement. All final Energy Efficiency Measure Costs are subject to Company review and approval prior to paying an Energy Efficiency Incentive per the terms of an Energy Efficiency Incentive Agreement. Company review and approval of Energy Efficiency Measure Costs may require additional documentation from the Customer or Owner.

For the purposes of calculating Annual kWh Savings resulting from lighting, Annual kWh Savings resulting from lighting interaction with mechanical equipment and from lighting controls will be considered to be lighting Annual kWh Savings. If the percent lighting Annual kWh Savings exceeds the limit in Table 1, lighting measures are adjusted for purposes of calculating the Energy Efficiency Incentive.

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INCENTIVES FOR ENERGY EFFICIENCY PROJECTS: (Continued)

The ten percent whole building energy savings threshold shall be calculated as follows:

The Energy Efficiency Project must reduce the proposed electric energy consumption by at least 10% when compared to the baseline level of whole building electric consumption that would have resulted under the current California energy code. The date of the building permit application shall establish the current version of the code.

The Customer or Owner may receive only one financial incentive from the Company per EEM.

Instructions for determining the Owner/Customer Energy Efficiency Incentive for Design Assistance Program Track:

Step 1 - determine the incentive rate

The incentive rate varies depending on the percentage by which the Energy Efficiency Project exceeds current California energy code (whole building electric basis). The date of the building permit application establishes the current version of the code. The percentage is subject to approval by the Company.

- If the percentage is between 10% and 30%, use the formula below to calculate the incentive rate:

$$\text{Incentive rate (in \$ per kWh/yr)} = (\text{percentage} \times 30 + 9) / 100$$

Note--percentage is expressed as a decimal (e.g. for 20%, enter 0.2 in the formula)

- If the percentage is
 - o $\geq 30\%$, the incentive rate is \$0.18 per kWh/yr
 - o $< 10\%$, the project is ineligible for an incentive under the Design Assistance program track

Step 2 - determine the Energy Efficiency Incentive amount

To determine the Energy Efficiency Incentive amount, multiply the Annual kWh Savings by the incentive rate.

PROVISIONS OF SERVICE:

1. **Energy Analysis**

Company shall meet with Customer or Owner and any design team and may perform an initial site visit/plans review to determine what EEMs may be appropriate for an energy analysis.

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PROVISIONS OF SERVICE: (Continued)

7. **Fuel Switching**

Energy Efficiency Incentives will not be made available to induce fuel switching by Owner.

8. **Design team incentives**

Company may offer incentives to a design team member with current professional certification including architects and engineers. Design team incentives are available per Table 1 and the terms posted on the California energy efficiency program page of the Company Web site and include an honorarium and design incentive.

Honorariums are designed to encourage early initial Company consultation on Owner/Customer's design and plans. Honorariums will be equally available to all professionally certified architects and engineers for California projects within Company's territory and will be limited to one honorarium per project.

Design incentives will be offered to all professionally certified architects and engineers for California projects within Company's territory. Design incentives may be paid for an efficient design meeting Company requirements. Design incentives are based on the square footage of the project and are limited to one per project.

Additional conditions for design team incentives will be available on the California energy efficiency program section of the Company's web site and may be changed with 45 days notice posted on the web site.

RULES AND REGULATIONS:

Service under this Schedule is subject to the General Rules and Regulations contained in the tariff of which this Schedule is a part, and to those prescribed by regulatory authorities.

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