

MPOWER Business

New Construction Rebate Program Qualification Standards

Eligible Customers: The MPower Business: New Construction Rebate Program is available to commercial, industrial or agricultural customers that presently or will receive electric service from MID. Accounts billed on 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 rebates.

Eligible Projects: Almost any project that involves installation of new high-efficiency equipment in new facilities or during the major remodel or expansion of existing facilities may be eligible for the MPower Business: New Construction Rebate Program. Projects are subject to review and acceptance by MID and must:

- reduce electrical energy usage relative to the baseline by a minimum of 10%, and
- have an incremental cost relative to the baseline, and
- operate for a minimum of five years after construction, and
- not begin construction prior to submitting an application, and
- be completed within one year of submitting the rebate application.

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

Ineligible Projects: Projects ineligible for MPower Business: New Construction Rebate include retrofit, 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 five 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. Projects that involve removal of unneeded equipment or leased or rented equipment are not eligible. Also ineligible are projects that previously received a MPower Business Rebate, but are still within the useful life period of that project.

Other Funding Sources: Funds received from sources other than MID rebate programs that lower the cost of the project may affect the incentive amount applicants receive. These sources include all third-party energy efficiency programs offering direct funding, financing or rebates (other than tax credits). The funded amount(s) will be deducted from the actual and documented Project Cost as it relates to the MID criteria and the maximum accrued rebate will not exceed 50% of net Project Costs. Applicants are required to inform MID of any other incentives for which they have applied and/or may receive.

Minimum Application: The minimum application is \$250 estimated rebate.

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 comparable equipment, historical billing data, or industry standard practice, subject to MID review and acceptance.

Estimating Energy Savings: The applicant is responsible for determining the energy savings from the project. Only direct effects can be included in the estimated energy savings. 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.

For projects that reduce connected electrical load and reduce electrical energy usage (kWh) during MID's summer peak period (2-6 p.m. weekdays, July - August) a demand reduction (kW) should also be calculated.

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 MPower Business: New Construction 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. The length of the performance period is project specific, as determined by MID.

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

Rebate Amount and Annual Payment Cap: Rebates are determined per project, based on the design approach and end-use, and are subject to an overall, maximum annual payment cap. Only projects with a qualifying demand reduction are eligible for the \$/kW rebate. The total rebate paid on any application will be limited to:

Whole Building Approach:

- Composite: The greater of \$0.08 per kilowatt hour (kWh) reduced **or** \$425 per kilowatt (kW) reduced (if applicable);
- Not to exceed 50% of the incremental cost of the energy efficiency measures included in the application.

Systems Approach:

- Lighting & Insulation: The greater of \$0.04 per kilowatt hour (kWh) reduced **or** \$250 per kilowatt (kW) reduced (if applicable);
- Air Conditioning & Refrigeration: The greater of \$0.10 per kilowatt hour (kWh) reduced **or** \$500 per kilowatt (kW) reduced (if applicable);
- Other Equipment: The greater of \$0.07 per kilowatt hour (kWh) reduced **or** \$350 per kilowatt (kW) reduced (if applicable);
- Not to exceed 50% of the incremental cost of the energy efficiency measures included in the application.

(For both approaches, the kWh reduction is during the first year and the kW reduction is during the peak period.)

The maximum annual payment cap for this program is determined per account, by the applicable MID electric rate schedule: \$15,000 (GS-1); \$25,000 (P-3); \$50,000 (GS-2); \$125,000 (GS-TOU); \$250,000 (GS-3); \$500,000 (IC-25). Customers eligible for a rebate that exceeds this cap may request an exemption. Exemptions to the cap require pre-approval by MID and are subject to a determination of available funding, which may not occur until the latter part of the current year.

Payment Terms: The total rebate is normally paid in either a single installment or, for projects with a stipulated performance period, in two installments. The single payment or first payment (typically 50%) is made upon completion of construction or installation of the new equipment. If applicable, 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. IRS form W-9 is required for rebates totaling \$600 or more.

Payment Adjustment: The total rebate received by an applicant may be higher or lower than the amount indicated in the Acceptance Notice. The total rebate paid for a project is based on its actual construction and operation. The total estimated rebate might be adjusted as a result of site inspection(s) that follow project construction. 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 five years after project construction. 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 five-year time period for energy savings.

Overall Process: To receive a MPower Business: New Construction 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 rebate. Must be submitted using current application. (See www.mid.org for current application).

2. **Pre-Construction Site Inspection:** Where appropriate, 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 or to verify the construction site.
3. **Acceptance Notice:** The acceptance notice informs the customer that their application has been accepted for a MPower Business: New Construction Rebate and indicates the estimated rebate amount. MID acceptance of a rebate application is a reservation of funds – not a guarantee of payment of a specific rebate amount.
4. **Post-Construction Site Inspection:** Following notification by the customer that the project has been installed, MID will 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-construction 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-construction 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, up to the maximum annual payment cap, is paid following the post-“performance period” site inspection.

Important Dates, Deadlines, and Limitations for Program:

Program Opens: On-going (subject to available funding)

Construction Deadline: Within one year of application approval 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: Must be submitted using the current version of the application (www.mid.org). MID will use the qualification standards in force on the date the application is received to determine the eligibility and rebate amount for the proposed project(s).

Acceptance of applications 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.

MID reserves the right to periodically review and make changes to the MPower Business Custom Rebate Program and to determine final program eligibility.

Eligible project cost excludes taxes, shipping and incentives from other sources.

Where To Submit An Application:

Modesto Irrigation District
Attn: Energy Services Department
P.O. Box 4060
Modesto, CA 95352-4060
Physical Address: 1231 11th St., Modesto, CA 95354-0701



Questions? Call (209) 526-7339

MID web site: www.mid.org

Or contact your MID Major Account Representative

MPOWER Business

New Construction Rebate Application

Applicant Information (please print using blue or black ink)

Customer/Tenant Name (as it will appear or presently appears on MID bill)	MID Account Number
Construction Address	City / Zip
Contact Person / Title	Phone:
Owner Name (if different than Customer/Tenant)	
Payee of Rebate Check	Federal Tax Identification Number
Mailing Address for Rebate	City / State / Zip

Project Information

Estimated Start Date	Estimated Completion Date
Name of Primary Contact Person	Primary Contact Company
Primary Contact Address	City, State, Zip
Telephone Number of Contact Person	Fax Number of Contact Person
E-Mail Address of Contact Person	

Project Summary

Provide a brief summary of your project, including estimated costs, savings and rebate, in the space below.

Project Type	<input type="checkbox"/> Greenfield Construction <input type="checkbox"/> Building Renovation <input type="checkbox"/> New Equipment	Design Approach	<input type="checkbox"/> Whole Building <input type="checkbox"/> Systems	Does local jurisdiction require Title 24 Forms for this project?	<input type="checkbox"/> Yes <input type="checkbox"/> No
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Project Cost (Incremental)	kWh Savings (Annual)	kW Savings (Peak Period)	Estimated Rebate
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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.
- Completed Title 24 Report, including UTIL-1 and UTIL-2, required for all applications.

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

Reminder: Upon completion of the project, you must also provide MID with legible copies of paid, itemized invoices for all applicable project costs.

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 construction, and project performance. I have read and understand the requirements set forth in the MPower Business: New Construction Rebate Program Qualification Standards, and warrant and represent that all information given is correct.

Applicant Signature

Print Applicant Name and Job Title

Date

Owner Signature (if renting or leasing)

Print Owner Name and Job Title

Date



Send completed application to:

**MID Energy Services Dept
P.O. Box 4060
Modesto, CA 95352-4060**