



A  Sempra Energy utility®

2017 Energy Efficiency Business Rebates

A customer handbook of policies and procedures



Table of contents

1. Introduction	3
2. About Energy Efficiency Business Rebates	3
3. Customer eligibility	4
3.1 Rebate limits	4
3.2 Comprehensive Bonus	4
3.3 SDG&E's Business Energy Solutions program	5
3.4 Participation in other programs	5
3.5 On-Bill financing	5
4. Eligible equipment	5
5. Applying for rebates	6
5.1 Getting a rebate application	6
5.2 Benchmarking option	6
5.3 Inspections	6
5.4 Installing equipment	7
5.5 Proof-of-purchase	7
5.6 Completing the rebate application	8
5.7 Release of information	8
5.8 Understanding the agreement on the rebate application	9
5.9 Submitting the rebate application	9
6. Working with vendors	9
6.1 Finding a vendor	10
7. Releasing payment to third parties	10
7.1 Vendor as payee	10
7.2 Landlord or tenant as payee	11
8. Rebate processing	11
8.1 Incomplete rebate applications	11
8.2 Post-field inspection	12
9. About the rebate check	12
9.1 Rebate Checks	12
9.2 Taxes	12
9.3 Rebate adjustment	12
9.4 Stop-payment and check reissue	13
10. Rebate refunds	13

1. Introduction

Energy Efficiency Business Rebates is a non-residential retrofit program offering cash rebates to business customers who install energy-efficient equipment.

Installing energy-efficient equipment in a business can help reduce energy consumption and operating expenses, which leads to greater profitability, productivity and efficiency. Rebates are designed to encourage such installations by helping to offset the cost of installing energy-efficient equipment.

Using energy-efficient equipment can positively impact a business' bottom line while helping the environment by reducing air pollution and preserving natural resources. All utility customers benefit, because reduced electrical system demand helps keep energy costs down.

2. About Energy Efficiency Business Rebates

Energy Efficiency Business Rebates is administered by San Diego Gas & Electric® (SDG&E®) under the auspices of the California Public Utilities Commission (CPUC). It offers rebates to commercial, industrial or agricultural business customers for the purchase of qualifying **refrigeration, food service, gas and other technologies** that improve the efficiency of their businesses. Qualifying energy-efficient equipment must be purchased new. Used and rebuilt equipment is not eligible for rebate. Leased equipment may be eligible for rebate if the agreement term is five years or greater. Equipment rebates are available for both retrofit and additional new equipment where stated in the terms and conditions.

Energy Efficiency Business Rebates are paid by check directly to the customer or a third-party payee designated by the customer. The amount of the rebate depends upon the equipment installed.

Energy Efficiency Business Rebates runs from January 1, 2017 until December 8, 2017. Rebate applications must be postmarked or received by SDG&E by the dates listed on the current Energy Efficiency Business Rebate application (deadline is December 8, 2017). Rebate project applications must be submitted within 30 days of the project's installation date or final invoice date, whichever comes latest, in order to qualify for rebate processing and payment. Energy Efficiency Business Rebates has a limited budget. Rebates are paid to qualifying customers on a first-come, first served basis until funds are no longer available or December 8, 2017 – whichever comes first. Priority is determined by the date the complete rebate application and all required supporting documentation is received by SDG&E. First-come, first-served status will be determined by the date the rebate application arrives at the utility mailing address printed on each rebate application. Customers are encouraged to submit their rebate applications as early as possible.

Links to useful resources

- Energy Efficiency Business Rebates Application (printable) - sdge.com/BRPrintApp

Product Catalogs

- Online Application System User Guide - sdge.com/BROnlineUserGuide
- Business Rebates Sample Invoice - sdge.com/BRSampleInvoice
- Invoice Guidelines - sdge.com/BRSampleInvoice

3. Customer eligibility

Energy Efficiency Business Rebates is open to non-residential customers with existing buildings that have an electric or natural gas account with SDG&E. Non-residential customers include commercial, industrial and agricultural customers. Properties such as single-family homes, condominiums, apartments, and other residential dwellings are not eligible for rebates. However, common areas in multi-family properties (i.e. laundry rooms, recreation rooms, offices) are sometimes assigned non-residential rate schedules, in which case they are eligible if they are on a qualifying non-residential rate schedule.

When non-utility supply is involved, any energy savings for which incentives are paid cannot exceed the net potential benefit provided to the utility. Non-utility supply, such as co-generation or deliveries from another commodity supplier, does not qualify as usage from the utility (with the exception of Direct Access customers or customers paying departing load fees for which the utility collects PPP surcharge.)

3.1. Rebate limits

The total rebate limit is \$1,000,000 per premise. A premise is defined as all of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided, excepting in the case of industrial, agricultural, oil field, resort enterprises and public or quasi-public institutions, by a dedicated street, highway or other public thoroughfare or a railway. Automobile parking lots constituting a part of and adjacent to a single enterprise may be separated by an alley from the remainder of the premises served.

Under no circumstances will rebates exceed 100% of the purchase price of the item. **Purchase price includes material cost, installation labor, sales taxes, and shipping.** Customers who self-install may charge installation labor if employee hours are well documented.

3.2. Comprehensive bonus

Program participants that purchase, install and submit an application between January 1, 2017 and December 8, 2017 are eligible for a 20% bonus based on the value of each qualifying incentive or rebate. An incentive/rebate qualifies for a bonus when either A) the program participant has received at least 3 incentive/rebates in 3 separate categories or B) 2 incentives/rebates in 2 separate categories plus new enrollment in either a Demand Response program or SDG&E's Retrocommissioning program (see Table 1). Additionally, each individual qualifying incentive/rebate payment must equal at least 10% of the total incentive/rebate payment. Unlike the incentive/rebate payment, the bonus will be issued to the customer of record directly.

TABLE 1. COMPREHENSIVE BONUS CATEGORIES

Measure Type*	Categories	Minimum Contribution
Electric	Lighting	10% of Total Incentive or Rebate
	HVAC	10% of Total Incentive or Rebate
	Smart Controls	10% of Total Incentive or Rebate
	Building Envelope	10% of Total Incentive or Rebate
	Refrigeration	10% of Total Incentive or Rebate
	Process	10% of Total Incentive or Rebate
Programs	New Participation in SDG&E's Retrocommissioning Program	Participation
	New Enrollment in Demand Response Program	Enrollment
Natural Gas	Hot Water/Steam	10% of Total Incentive or Rebate
	Heat Recovery	10% of Total Incentive or Rebate
	Process Heat	10% of Total Incentive or Rebate

*Excludes Clean Cogeneration, Peak Gen and Peak Time

3.3. SDG&E's Business Energy Solutions program

SDG&E's Business Energy Solutions program is offered to customers with a monthly electrical demand less than 200 kilowatts (kW). This program provides a number of energy and money-saving services for qualifying small and mid-sized businesses at no cost. The energy-efficient products offered at no cost may include: fluorescent lighting, LED lighting, refrigeration (door closers and suction line insulation), and vending misers. For more information visit sdge.com/bes or call the Energy Savings Center at 1-800-644-6133.

3.4. Participation in other programs

If a customer has received an incentive or services from another state or local Public Goods Charge (PGC) program, they are ineligible to receive a rebate for the same product(s). Conversely, if they receive a rebate from Energy Efficiency Business Rebates, they are ineligible to receive additional incentives or services from other state or local PGC programs for the same product(s).

Customers must contact SDG&E's Energy Savings Center at 1-800-644-6133 or BusinessEnergySavings@sdge.com with any questions regarding eligibility.

3.5. On-Bill financing

On-Bill Financing (OBF) provides interest-free, unsecured, financing for purchasing and installing qualified energy-efficient equipment offered through utility rebates and incentives. For non-government funded customers, projects must meet payback of three or five years or sooner. For government funded customers, projects are allowed up to a ten year payback. Loan charges appear on monthly utility bill.

For more information please contact the Energy Savings Center at **1-800-644-6133** or visit sdge.com/obf.

Please note: Projects using On-Bill Financing option must submit OBF application prior to installation

4. Eligible equipment

All equipment must be new. Used or rebuilt equipment does not qualify for rebates. No fuel switching is allowed – electric equipment can only be replaced with qualifying electric equipment, and gas equipment can only be replaced with qualifying gas equipment. New construction does not qualify.

The Energy Efficiency Business Rebates include equipment for the following categories:

Food service • Refrigeration • Natural gas • Other technologies

A complete list of qualifying products and equipment requirements is located on our website at sdge.com/BusinessRebates. Please be sure to read the technical requirements for each product before purchasing equipment. Customers must contact SDG&E's Energy Savings Center at **1-800-644-6133** or BusinessEnergySavings@sdge.com with any questions.

Customers must include the manufacturer's technical specifications sheet along with the rebate application. This is especially important if a customer is unsure of whether or not the equipment purchased qualifies for a rebate. SDG&E will review the rebate application and manufacturer's technical specifications sheet and make a determination as to whether the equipment qualifies. The decision of the utility is final.

5. Applying for rebates

5.1. Rebate applications & pre-inspection

All rebate applications must be submitted online at sdge.com/bizrebates. All online applications will undergo a 3 day review period. Within 3 days, you will receive a notification providing additional submission instructions for the installation of your products.

Pre-inspections for On-Bill Financing projects, past participation, or a number of products outlined in the rebate catalog will be initiated through the online application. Do not install the equipment until the pre-inspection has been completed and you have received a notice-to-proceed.

You may check out our **Online Application System User Guide** (sdge.com/BROnlineUserGuide) for help.

5.2. Benchmarking option

Benchmarking with the Environmental Protection Agency's ENERGY STAR® Portfolio Manager allows you to track and assess energy performance across your entire portfolio of buildings in an online environment. Portfolio Manager will rate your facility's energy performance on a scale of 1-100 relative to similar buildings nationwide. A rating of 50 indicates that the building, from an energy consumption standpoint, performs better than 50% of all similar buildings nationwide. Upon completion of the Portfolio Manager benchmarking, you will receive a Statement of Energy Performance.

For more information visit sdge.com/benchmarking or call our Energy Savings Center at **1-800-644-6133**.

5.3. Inspections

SDG&E reserves the right to conduct inspections, which may be performed:

- 1) After installation, but prior to issuing payment, to verify the equipment is installed and operating, and/or
- 2) Prior to installation to verify the area in which the equipment is being installed is an appropriate application for the new technology; if a pre-inspection is required or if there has been a previous rebate paid on that location for intended product.

Certain measures require a mandatory pre-inspection to be performed by SDG&E before equipment installation can begin. To determine if your project requires a pre-inspection, please visit sdge.com/BusinessRebates or contact our Energy Savings Center at **1-800-644-6133**.

5.4. Installing equipment

A customer can install some qualifying products themselves, or can hire a trade professional to do the installation. Please note some products require installation by a licensed contractor and may not be self-installed.

Prior to installing equipment, the customer must review the terms and conditions for each product in the Product Catalog. Equipment must be purchased and installed prior to submitting the rebate application.

5.5. Proof-of-purchase

Customers must include proof-of-purchase with each rebate application. The [Sample Energy Efficiency Project Invoice Template Form](#) is a guide to help make sure current CPUC requirements are met after your project has been installed to qualify for a Utility rebate or incentive. You have the option of using your invoice format in lieu of the sample form provided; however, all invoices must contain the following information to be processed for payment:

- Invoice Number
- Invoice Date
- Trade Professional Name
- Trade Professional Address
- Installation Site Address
- Bill To Customer Name
- Bill To Customer Address
- SDG&E Account Name
- Product Code
- Installed Equipment Description
- Manufacturer Name & Model Number
- Installed Equipment Quantity
- Unit Price of Installed Equipment
- Labor
- Shipping & Handling
- Total Cost
- Payment Terms
- Trade Professional Signature
- Customer Signature

The customer's invoice must be dated between January 1, 2017 and December 9, 2017. It is important the invoice include a description, make, and model number of the equipment purchased. This information is compared against various equipment databases to verify the equipment qualifies for a rebate.

ACCEPTABLE PROOF-OF-PURCHASE	<p><i>Receipts</i> If the customer self-installs, typically the proof-of-purchase will be in the form of a cashier's receipt. The receipt must include all of the information listed above.</p> <p><i>Vendor invoices</i> If a vendor or contractor performs the installation, the proof-of-purchase will likely be in the form of a paid invoice.</p> <p><i>Purchase orders</i> Any itemized purchase order must include a signed affidavit from the customer stating that the equipment has been paid.</p> <p><i>Supplemental documentation from accounting department</i> We understand in many large corporations, there may be several layers of distribution until equipment is actually installed at a location. A company must provide a clear trail from the manufacturer to an internal accounting department that tracks the equipment (using model number, serial number, etc.) from start to finish, including evidence of payment from accounting.</p>
---	--

**UNACCEPTABLE
PROOF-OF-PURCHASE**

Signed customer statements

Statements and letters describing purchases are not acceptable as proof-of-purchase.

Vendor bids

Bids alone are not acceptable as proof-of-purchase; however, they can be submitted with a vendor's invoice to provide added detail about the installation.

Order forms

Customer order forms are not acceptable as proof-of-purchase.

5.6. Completing the rebate application

The customer must be sure each rebate application submitted includes the correct account number(s) for the area in which they are installing equipment. If they are not sure which area within the facility corresponds to each account, the customer should contact their electrician or facility manager.

The Energy Efficiency Business Rebates application contains detailed instructions on how to complete the rebate application:

- 1) Calculate your rebate by multiplying the quantity purchased times the rebate amount;
- 2) Add up all rebates and write the total rebate amount in the space provided;
- 3) Fill out the customer information section, including account information and Federal tax I.D. number;
- 4) Sign and date the rebate application.

The customer's signature on the rebate application confirms they accept the terms and conditions of the rebate.

If the customer receives a single or Group Bill, for several accounts, they cannot include the Group Bill account number on the Energy Efficiency Business Rebates application. The customer's rebate application cannot be processed if only the group bill account number is included. Customers must be sure to include the specific service account number(s) corresponding to the area in which the equipment is being installed.

5.7. Release of information

If the CPUC requests review of your project, SDG&E will provide the CPUC with all of the information requested without further notification to you. If you refuse to allow the CPUC, its staff or its contractors and/or consultants to have access to your data, you will not be allowed to participate, and you will be ineligible to receive any program rebate or incentive. In the event your project is selected for review, SDG&E will mark your data as confidential before submitting your files to the CPUC in accordance with California Public Utilities Code Section 583 and CPUC General Order 66-C.

5.8. Understanding the terms and conditions on the rebate application

When signing the application, the customer is signing a contract stating they agree to the set of terms and conditions outlined in Section 9 Terms and Conditions on the application.

5.9. Submitting the rebate application

Once the application has been reviewed and the pre-inspection has taken place (if applicable), the complete rebate application can be submitted using the online portal. A notification will be sent giving instructions on these steps. Applications must be submitted within 30 days of the installation date or final invoice date in order to qualify for rebate processing or payment. We will accept whatever date is latest.

6. Working with vendors

The customer may choose to work with a vendor to purchase and install qualifying equipment. The customer is responsible for obtaining their own vendor(s). For the purposes of Energy Efficiency Business Rebates, vendors are defined as any third-party payee listed on the rebate application. "Vendors" may include but are not limited to:

- Equipment manufacturers, distributors, wholesalers or retailers
- Equipment contractors (installers)
- Energy service providers

Vendors who promote Energy Efficiency Business Rebates must sign a *2017 Non-Residential Customer Programs Trade Professionals Participation Agreement* stating that they understand and will adhere to the rules governing vendor activities for Energy Efficiency Business Rebates. The full set of guidelines is available online at SDG&E's website.

No vendors are commissioned or endorsed by SDG&E to install equipment. Even those vendors who may solicit customer participation have only signed the *Trade Professionals Participation Guidelines*; they are not affiliated with SDG&E, have not been selected by SDG&E, and have no other contractual agreement with SDG&E. The customer should select their vendors with care the same way they select any other service provider you hire. Additionally, license requirements are solely the responsibility of the vendor.

If the new, energy-efficient equipment is removed or found to be deficient, the customer is responsible for replacing it even if the vendor was the recipient of the rebate; otherwise, the customer is subject to refunding SDG&E a prorated amount of the rebate. Therefore, the customer must make sure they thoroughly understand the vendor's contract, including the equipment warranty.

If the customer experiences an equipment problem or is not satisfied with the quality of work of a vendor hired, they should contact the vendor directly to resolve the issue. If the issue cannot be resolved to the customer's satisfaction, they should consider contacting the *Contractors State License Board* at **1-800-321-CSLB (2752)** if the vendor is a licensed contractor. The customer may also contact the Better Business Bureau. In no event is SDG&E responsible for equipment problems or problems with the vendor.

6.1. Finding a vendor

There are many vendors in SDG&E's service area who are familiar with Energy Efficiency Business Rebates. Many of them contact and solicit eligible customers offering to retrofit their facilities with energy-efficient equipment and to facilitate rebate participation. Many vendors even maintain their own supply of applications, and they can explain Energy Efficiency Business Rebates to the customer and help them identify potential retrofits. Again, these vendors are not affiliates or employees of SDG&E – they are individual contractors using a utility rebate program.

Although SDG&E does not select the vendors and does not endorse any particular vendor, those who wish to participate in Energy Efficiency Business Rebates must complete and sign the Trade Professionals Participation Agreement stating that they understand and agree to adhere to the *2017 Non-Residential Customer Programs Trade Professionals Participation Guidelines*. As noted above, however, vendors have no other formal contractual relationship with SDG&E.

7. Releasing payment to third parties

The customer may have their rebate payment released to the vendor or any other third-party payee. To make the rebate check payable to another party, the vendor's information must be included in the "Payment Release Authorization" section on the rebate application. Also, if the customer is designating their payment to a vendor, they must list the vendor's taxpayer ID number in the section of the application labeled "Business Payee Tax Information."

Whether the rebate is paid directly to the customer, a designated vendor, or any other third party, the customer is still responsible for ensuring the equipment provides the energy savings as specified in Section 9 Terms and Conditions on the rebate application.

Any enhanced rebates made through this program will be paid to the party designated on the "Payment Release Authorization" section.

7.1. Vendor as payee

In many cases, vendors who are familiar with Energy Efficiency Business Rebates figure the potential rebate amount into their job estimate. In such cases, customers sometimes agree to have their rebate checks made payable to and mailed to their vendors.

By allowing the vendor to complete the "Payment Release Authorization" section on the rebate application, the customer is granting permission for SDG&E to release information, such as their account number and rate schedule, to the vendor (the new payee) as required to process the rebate application and resolve any issues surrounding the potential rebate.

The vendor's invoice must clearly show the rebate is being deducted from the sales price.

A vendor that is designated as payee must have a signed *2017 Non-Residential Customer Programs Trade Professionals Participation Agreement*. This is kept on file at SDG&E and states that he/she has read and understands the Participation Guidelines. Trade Professionals Participation Agreements are effective for the duration of Energy Efficiency Business Rebates cycle (January 1, 2017 - December 30, 2017). However, when a new cycle begins, a new agreement must be completed to be kept on file.



7.2. Landlord or tenant as payee

Landlords (i.e. building owners, property management companies) and tenants sometimes work together to facilitate installation of energy-efficient equipment in leased spaces. These arrangements may involve one party releasing rebate payment to the other party.

For instance, if a leasing tenant is the utility customer of record, but the landlord purchases and installs qualifying equipment, the tenant may complete the “Payment Release Authorization” section of the application requesting the rebate check be made payable to the landlord. Conversely, if a landlord is the customer of record but the tenant purchases and installs equipment, the landlord may release payment to the tenant.

Such arrangements between landlords and tenants should be agreed upon prior to either party installing equipment.

8. Rebate processing

Upon receipt, the customer’s rebate application will be reviewed by the processing center to make sure the application was completed correctly and that the package includes all of the necessary documentation. The package must be complete before it is approved for payment.

8.1. Incomplete rebate application

- If the rebate application is incomplete, processing center representatives will try to reconcile information with the customer, their vendor, or with utility resources. This process may include a phone call from the SDG&E processing representative, or the rebate application may be returned to the customer with a letter describing the problem.
- Once the revised rebate application has been approved and, if required, a post inspection has been completed, it will be authorized for payment, and a rebate check will be issued.
- In order for SDG&E to process your application, please refer to the information below and submit via email within **10 business days**. If the completed/revised documentation is not submitted within 10 business days, the enrollment for the project will be cancelled.

8.2. Post-field inspection

- Rebate projects may be selected for a post-field inspection, which are performed to verify products are installed and operating. These inspections are performed prior to issuing rebate checks.
- The customer must provide inspectors access to the equipment for verification purposes during normal business hours: 8 a.m. to 5 p.m., Monday through Friday, excluding holidays.
- If inspectors determine the product for which a rebate was applied for is not installed at the facility or is not operational, the customer's rebate application will be rejected. They may submit a new rebate application after the equipment has been installed and is operating, if funds are still available.
- If inspectors determine the product for which the customer applied for a rebate is only partially installed, they will be rebated only for the qualifying equipment that is installed and operating.
- If the customer refuses to allow the inspector access to the eligible equipment, their rebate application will be rejected and no rebate application will be paid.
- Situations where inspectors report they were unable to gain access to a facility will be handled on a case-by-case basis.

9. About the rebate check

9.1. Rebate checks

A rebate check for the qualified measure will generally be mailed within 30-45 days after SDG&E receives and approves a completed rebate application.

9.2. Taxes

Rebates are generally considered subsidies for tax purposes and could be taxable to the customer or the third party receiving the rebate check. Customers are urged to consult their tax advisors concerning the taxability of these rebates. Rebates greater than \$600 will be reported to the Internal Revenue Service on IRS form 1099 unless the customer is exempt. SDG&E is not responsible for any taxes that may be imposed on a business as a result of the receipt of a rebate under Energy Efficiency Business Rebates.

9.3. Rebate adjustment

If the customer has received a rebate check and they would like to dispute the amount, they should call SDG&E's Energy Savings Center toll-free support line at **1-800-644-6133**, for assistance. The problem will be investigated, and the customer will be notified of the results. If an adjustment is warranted, the customer must return the original rebate check to SDG&E, and a new check in the correct amount will be issued. If the customer has already cashed the check and they require a higher rebate amount, they may be required to submit an additional rebate application. If the customer has already cashed the check and the rebate should have been lower, they will be invoiced for the overpaid amount at the utility's discretion. In each situation, SDG&E's decision is final.

9.4. Stop-payment and check reissue

Customers should call SDG&E's toll-free support line to stop payment on a check and/or if a check needs to be reissued for any reason including:

- **Payee name change** - If the name of the payee has changed, the customer must provide updated payee information, including name, mailing address and phone number; and return the original check as directed. A new check will be issued to the correct party.
- **Check lost, stolen or misplaced** - If a check is lost (or never received), stolen or misplaced, the customer should contact SDG&E right away to arrange for a replacement check.
- **Stale-dated check** - A "stale-dated" check is one that is no longer valid because it was not cashed within the allotted time period printed on the check. The original check should be returned to SDG&E, and a new check will be issued.

10. Rebate refunds

Once the customer receives the rebate check, they are required to adhere to the conditions of the signed Agreement, which in part requires they will provide SDG&E with energy savings for five (5) consecutive years or the life of the product. If conditions at the facility change, they may be liable for refunding part of the rebate to SDG&E.

To qualify for rebates, you must be a business customer on a valid commercial, industrial or agricultural rate and be upgrading the efficiency of an existing building (no new construction). The program is funded by California utility customers and administered by SDG&E under the auspices of the CPUC. Program funds will be made on a first-come, first served basis until program funds are no longer available. The program may be modified or terminated without prior notice. The selection, purchase and ownership of goods and services are the sole responsibility of the customer. SDG&E makes no representation of safety, reliability and/or efficiency of goods and services selected. SDG&E makes no warranty, whether express or implied, including warranty or merchantability or fitness for any particular purpose, use or application of selected goods and services.

The On-Bill Financing (OBF) program is funded by California utility customers and administered by SDG&E under the auspices of the California Public Utilities Commission. The OBF program may be modified or terminated without prior notice and is provided to qualified customers on a first-come, first-served basis until program funds are no longer available. Eligibility requirements apply.

The website links contained herein are provided for information purposes only. SDG&E does not endorse these websites, or any goods or services offered thereon. Particularly, SDG&E has not verified the privacy policies applicable to these websites, or determined what actions will be taken by third parties regarding the privacy of visitors. In no event shall SDG&E be responsible for any third party website policies or actions.