

State of California/IOU Energy Efficiency Partnership Program

2010-2012 SDG&E PROJECT AGREEMENT

Department Information

For Program Administration use only
AGREEMENT NUMBER

DEPARTMENT NAME

ADDRESS

CITY/STATE

ZIP CODE

CONTACT NAME

TITLE

() .

() .

PHONE NO.

FAX NO.

E-MAIL

FEDERAL TAX ID NUMBER

TAX STATUS: Corp. Non-Corp. Exempt

EXEMPT REASON

Project Information

PROJECT NAME

FACILITY

IF THERE IS MORE THAN ONE FACILITY LOCATION TO BE SERVICED, the owner may attach a list of locations covered by the terms of this agreement.

ADDRESS

CITY/STATE

ZIP CODE

/ /

BUILDING TYPE

GROSS SQ. FT.

CONDITIONED SQ. FT.

FACILITY SIC

EST. COMPLETION DATE

ELECTRIC UTILITY

GAS UTILITY

ELECTRIC SERVICE
ACCT. #

GAS SERVICE
ACCT. #

ATTACHED CALCS/DOCUMENTATION

Application

Metering Data

PROJECT TYPE:

Retrofit

Third Party

SPC Calculations

Other _____

RCx/MBCx

Co-Funding

Hourly Energy Analysis

Emerging Tech.

Other _____

Proposed Energy Savings, Demand Reduction, and Incentive Estimate

Projects implemented Department-wide shall include a list of all sites in a separate attachment.

Project #	Measure #	Description	Complete Date	Gross kW	Gross kWh	Therms	\$ Amount
			/ /				\$
			/ /				\$
			/ /				\$
			/ /				\$
			/ /				\$
			/ /				\$
			/ /				\$
<i>TOTALS</i>							\$

X

SDG&E Reviewer/Authorized Signature

/ /

Date

Estimated Incentive:

\$

Please complete this section only if payment is going to someone other than the customer* as indicated above for Retrofit and RCx/MBCx.

I am authorizing this payment of my incentive to the third party named below and I understand that I will not be receiving the incentive check from San Diego Gas & Electric Company. I understand that my release of the payment to the third party does not exempt me from the requirements outlined in this Agreement. I also understand that certain account information, such as account number and rate information may be used by my vendor as required to resolve any issue pertaining to this incentive.

Name of Third Party Company	Company Contact Name	Email
Company Mailing Address	City/State	Zip
Company Telephone Number	Company Fax Number	Federal Tax ID Number

TERMS AND CONDITIONS:

Retrofit and RCx/MBCx

This Agreement is entered into by San Diego Gas & Electric Company (hereafter referred to as “SDG&E”) and the Department of General Services or State Agency (as indicated herein and hereafter referred to as “Department”). This Agreement is a one-time offer to provide a financial incentive to the Department for participation in the 2010-2012 State of California Energy Efficiency Partnership Program (“Program”) pursuant to the terms and conditions contained herein and in the Program documents, which are incorporated into this Agreement by reference and shall include the 1) Project Cost Proposal and 2) Energy savings calculation and methodology. Funding for this Program is limited and is allocated on a first-come, first-served basis to qualified applicants, as approved by the Program Management Team. Funds will only be reserved upon SDG&E’s execution of this Agreement. This incentive offer is subject to the availability of authorized funds. The Department shall not commence the Project until the complete execution of this Agreement. This Agreement is valid for 36 months from the date SDG&E executes this Agreement or until December 31, 2012 whichever comes first. SDG&E will deliver an executed copy of this Agreement to the Department after acceptance and execution by SDG&E. SDG&E reserves the right to modify or cancel the incentive offer provided herein, if the actual system(s) installed differs from the approved Project installation. SDG&E reserves the right to modify or discontinue this Program without prior notice at its discretion, or by order of the California Public Utilities Commission (“CPUC”). Payment of the incentives shall be made to the Department or its assignee only after all program requirements are met. Final incentive payment shall be made to the Department of its assignee upon verification of installation by a Program Representative. The incentive rates for Retrofit and RCx are:

- Lighting projects will be at \$0.15/kWh
- Motors/VFDs/Compressors/Others will be at \$0.18/kWh
- HVAC projects with electrical savings will be at \$0.24/kWh
- RCx projects will be at \$0.24/kWh
- All gas savings will be at \$1.00/Therm

Project Completion: Projects shall be completed and verified by Program Representative by December 31, 2012.

ELIGIBILITY:

- To be eligible for incentives under the Program, the Department’s project proposed herein must be located on a State of California facility, and be a facility retrofit, monitoring-based commissioning (MBCx) or new construction project located within SDG&E’s service territory.
- Department must install or allow the installation of the energy-efficient equipment or system(s) specified in the project application which at minimum exceeds the program baseline energy use or a generally-accepted industry standard for energy efficiency.
- Installation of any energy-efficient equipment required for compliance with Title 24 will not qualify for incentives under this Program.
- Energy savings, and incentives based on those savings, will be based on energy efficiency improvements beyond the minimum, currently in effect, Title 24 requirements, where applicable.
- Specific restrictions apply to each energy efficiency system, as outlined in the Program Documents.
- To be eligible for incentives under this Program, Department agrees that they will not apply for or receive incentives offered by local or state entities or other utilities for measures covered under this Agreement, that are funded by the Public Purpose Program Funds (PPP), the California Energy Commission (CEC) Funds or the Public Goods Funds (PGC) distributed by the CPUC.
- Incentive Limitations: The CPUC energy efficiency targets established for SDG&E and the other investor-owned utilities (“IOUs”) in California are based on the amount of energy that the IOUs deliver, excluding load served by non-IOU sources or suppliers (except Direct Access customers). Based on this statewide policy, SDG&E may limit the incentive amount that Department is eligible to receive for this project if the projected savings exceed SDG&E energy deliveries to the project.

DEPARTMENT AGREES TO:

- Install or allow the installation of and operate the proposed Project in accordance with applicable laws, safety standards, and existing governmental regulations or orders.
- Provide SDG&E with documentation needed to establish the performance of systems selected. Department agrees to provide SDG&E with all documentation necessary for verification of installation and performance of energy efficient systems qualifying for incentives. Department agrees that all Project expenditures and incentives claimed by Department shall be objectively reasonable.
- Provide manufacturer's specification sheet to SDG&E prior to the final payment of the incentive if the project is performed by Department. Also, upon request, Department agrees to submit vendor and/or contractor invoice(s) to verify that incentive payments will not exceed 80 percent of the total or incremental cost (whichever is applicable) associated with the purchase/installation of the energy efficient technologies.
- The Parties acknowledge and agree that SDG&E is only providing the Department with money in the form of a rebate or incentive payment. The Department has independently hired contractors ("State Contractors") to perform the work on behalf of the Department to qualify for the incentive or rebate payment. The Department acknowledges and agrees that the State Contractors are not third party beneficiaries to this Agreement. To the extent authorized by law and subject to appropriation of the Legislature, the Department agrees that it will look only to State Contractors for any claims related to the installed equipment or its performance and that SDG&E shall have no responsibility or liability, except for the payment of the rebate or incentive, and the Department shall indemnify SDG&E for any claims made by the State Contractors against SDG&E.
- Accept as final authority, SDG&E's determination of the incentive amount.
- Allow SDG&E and/or its agents, assigns, contractors, or subcontractors ("SDG&E Contractors") and CPUC representatives reasonable access to Department's project site to inspect and verify installation and operation. In the event an SDG&E Contractor is coming onto the project site, SDG&E agrees to provide the SDG&E Contractor with the Department's Right of Entry ("ROE") form, attached hereto as Exhibit A, to be executed in order to enter Department's property. Any modifications to the ROE shall be between Department and SDG&E's Contractor. SDG&E shall not be bound by the ROE's terms and conditions. Department understands that said inspection and verification is not a safety inspection.
- Participate in measurement and evaluation study, if selected. These studies are used to analyze current program performance and improve future program designs. Department agrees to fully cooperate with the study team if asked to participate.
- For Retrofit Projects, Department understands that SDG&E makes no representations and warranties as to proper installation, product endorsement, technical feasibility, operational capability, and/or reliability of equipment for which incentives are paid. Department agrees not to make any such representations and warranties to third parties. Department further acknowledges that any incentive paid is funded through Public Goods Charge and/or Gas Surcharge funds from California ratepayers and that said incentives are intended for the benefit of customers of California utilities.
- Department consents to SDG&E's assignment of all its rights, duties, and obligations under this Agreement ("Duties") to the CPUC or its designee, if requested, provided SDG&E agrees to be responsible for any pre-approved payments prior to assignment. Such assignment shall relieve SDG&E of all Duties arising under this Agreement. Other than such assignment by SDG&E, neither Party shall assign its right or delegate its duties without the prior written consent of the other Party, except in connection with the sale or merger of a substantial portion of its properties. Consent to assignment shall not be unreasonably withheld. If an assignment is requested, the Department may be required to provide additional information if requested by SDG&E.
- Department agrees that SDG&E will receive the energy benefit for which the Department incentive is paid or services received, for a period of not less than five years or the rated life of the equipment if that is less than five years. Department agrees that if 1) Department does not provide SDG&E with 100 percent of the related benefits specified in the application, for a period of five years from the receipt of the incentive, or 2) the energy benefit to Utility ceases (for example, if Department's company stops using the equipment or no longer pays the Public Goods Charge and/or Gas Surcharge, as the case may be, Department will return to SDG&E the prorated portion of the Department Incentive dollars or project cost based on the actual period of time for which Department provided the energy benefit, or based upon the life of the equipment. Additionally, if Department sells the project site, Department agrees to assign the terms and conditions of this Agreement to the new owner as part of the sale transaction for the remaining period of performance.
- Department shall comply with any request by SDG&E to ensure compliance with all necessary reporting requirements. In addition, the Department shall be responsible for providing all information necessary for the IOU to adhere to the reporting requirements set forth by the CPUC. SDG&E reserves the right to request additional information from the Department at any time to facilitate SDG&E's reporting requirements.
- SDG&E may suspend or terminate the Agreement, without cause, upon written notice to Department. If the Agreement is terminated by SDG&E without cause, SDG&E agrees to compensate Department for all pre approved expenditures accrued up to the effective date of termination. SDG&E shall not be liable to the Department for damages or compensation of any kind in the event that SDG&E is required to terminate in order to comply with applicable laws, regulations, or as directed by CPUC.

TAX LIABILITY:

Incentives may be taxable and will be reported by SDG&E to the IRS unless Department qualifies under an exempt status. SDG&E will report the incentive as income to Department on IRS Form 1099 unless Department has established that they qualify for an exempt tax status as indicated on this Agreement. Department is urged to consult a tax advisor concerning the taxability of incentives. SDG&E is not responsible for any taxes that may be imposed due to incentive payments.

SDG&E MAKES NO WARRANTY, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO ANY WARRANTIES REGARDING THE DESIGN, CONSTRUCTION, EQUIPMENT, OR INSTALLATIONS REFERRED TO HEREIN, OR THE BENEFITS TO BE DERIVED FROM THE INSTALLATION, OPERATION, AND USE OF SUCH EQUIPMENT, OR ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OR APPLICATION. NO AGENT, EMPLOYEE, OR REPRESENTATIVE OF SDG&E HAS AUTHORITY TO BIND SDG&E TO ANY AFFIRMATION, REPRESENTATION, OR WARRANTY UNLESS EXPRESSLY MADE AND AGREED TO IN WRITING BY SDG&E.

By execution of this Agreement, Department certifies that Department meets all the Program eligibility requirements and that the information supplied on this Agreement is true and correct. Department certifies that Department has read and understands the Program Documents and agrees to abide by Program rules and requirements set forth in the Program Documents. To be valid, this Agreement must be signed by all parties.

In witness whereof, the parties have executed this Agreement as of the date last set forth below.

State of California

San Diego Gas & Electric Company

SIGNATURE

SIGNATURE

DEPARTMENT'S REPRESENTATIVE (Print Name from Above)

SDG&E REPRESENTATIVE (Print Name from Above)

TITLE

DATE

TITLE

DATE