

## DOCUMENT REVISION

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# **Consumers Energy Small Business Energy Efficiency Program**

Policies and Procedures Manual  
2024 Program Year

The Consumers Energy Small Business Energy Efficiency Program is managed by DNV. The Small Business Energy Efficiency Program team provides incentives for small business customers who upgrade their facilities with energy efficient equipment. This incentive program is available to Consumers Energy business customers with annual energy use of 1,200,000 kilowatt-hours (kWh) or less, based on the previous 12 months of billing history, and who receive electric delivery service from Consumers Energy. This document is intended to convey the rules, policies and procedures that govern program administration and customer participation.

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## **P.1 PROGRAM OVERVIEW**

The Consumers Energy Small Business Energy Efficiency Program, funded by Consumers Energy customers and approved by the Michigan Public Service Commission, is designed to maximize the implementation of comprehensive, cost-effective, energy efficient measures to eligible customers in the Consumers Energy service territory. This program is designed to promote the installation of energy-efficient technologies in small businesses that normally do not have easy access to energy efficiency programs because of various barriers. The primary barrier in this market is limited access to the capital needed to perform energy efficiency upgrades and the competing needs for funding other business projects. The program has set high incentive levels that are capable of driving this market. This translates into short payback periods and low measure installation costs for customers. Trade Allies also benefit from these higher incentive levels because the program effectively sells itself, allowing Trade Allies to minimize marketing efforts and focus on working directly with participating customers.

Incentives for the installation of approved measures are paid directly to Trade Allies. The program works closely with Trade Allies to provide customers with on-site facility assessments and financial incentives for refrigeration measures, lighting upgrades, and lighting control upgrades.

The Trade Ally will conduct a free energy assessment to identify potential energy saving equipment options and determine the amount of potential incentives paid by the program. Trade Allies participating in the Small Business Energy Efficiency Program are available to install the equipment, providing a low-hassle, simple approach resulting in customers saving on their energy bill.

The Trade Allies are responsible for auditing the site, the energy efficiency measure selection, specifying equipment, performing the installations, and providing required warranties. The Small Business Energy Efficiency Program is responsible for conducting inspections to verify pre-installation and post-installation conditions and equipment, disbursing incentives, and overall program oversight. The Small Business Energy Efficiency Program provides Trade Allies with program information and an Internet-based tool to enter, track, and receive approval and payment for projects. The Small Business Energy Efficiency Program offers no warranties for the Trade Allies' work. Trade Allies are solely liable for their work.

## P.2 PROGRAM INCENTIVES AND MEASURES

The CESBEEP offers incentives for indoor and outdoor lighting retrofits, refrigeration controls and other proven technologies that will yield electric savings. Savings are custom calculated by the Proposal Generation Software based on a variety of factors including wattages of the base case and replacement fixtures and operating hours. For lighting, the incentives are paid based on dollars per kWh saved basis. Refrigeration measures are paid on a per unit basis.

**Table 1 – Small Business Energy Efficiency Program Incentives**

Measure Type	Measure Name	Incentive (\$/unit)* *Capped at cost*
Electric	Exterior Lighting	\$0.20 /kWh
Electric	Interior Lighting	\$0.20/kWh
Electric	Screw-in LED Lamp Replacing HID Lamp	\$0.10/kWh
Electric	Other Electric (Custom)	\$0.17/kWh
Electric	Interior Lighting Occupancy Sensors	\$0.20/controlled watt
Electric	Refrigerated Case Anti-Sweat Heater Controls	\$120.00/door
Electric	Refrigerated Case Evaporator Fan ECM	\$175.00/motor
Electric	Walk-in Cooler or Freezer Evaporator Fan ECM	\$275.00/motor
Electric	LED Lighting for Refrigerated Cases	\$14.00/linear foot
Electric	Evaporator Fan ECM Speed Controls	\$75.00/unit
Electric	Refrigerated Case LED Occupancy Sensors	\$25.00/door
Electric	Refrigerated Space Strip Curtains (40°F)	\$15.00/square foot
Electric	Refrigerated Space Strip Curtains (0°F)	\$40.00/square foot
Electric	Advanced Power Strips	\$4.00/unit
Electric	High-Efficiency Window Film	\$0.40/square foot
Electric	Beverage Vending Machine Miser	\$65.00/Miser
Electric	Drinking Water Cooling Miser	\$50.00/Miser
Electric	Snack Vending Machine Miser	\$25.00/Miser
Electric	High-Efficiency Electric Hand Dryer	\$100.00/unit
Electric	Walk-in Cooler or Freezer Door Gasket Seals	\$5.00/linear foot
Electric	Hotel Wireless GREM - Material Only (EO)	\$150.00/room
Combo	Hotel Wireless GREM - Material Only (EG)	\$150.00/room

## P.3 PROGRAM-APPROVED TRADE ALLIES

To become a Small Business Energy Efficiency Program-approved Trade Ally the following steps must be taken:

- Complete and sign the “Trade Ally Application & Agreement” document.
- Be either an installer, general contractor, Architecture & Engineering firm, or supplier of qualifying equipment as appropriate for services performed. Trade ally must also provide a W-9 with the Tax-ID assigned to the business name on application.

- Attend an initial program training session of up to four (4) hours for at least one (1) person from Trade Ally's firm and complete on-site training with a Small Business Energy Efficiency Program inspector or Energy Advisor within one month of becoming a Program-approved Trade Ally.

### **P.3.1 Program-approved Trade Ally's Responsibilities**

The Small Business Trade Ally's responsibilities include, but are not limited to:

- Active, accurate and timely participation in the program
- Attending required training
- Verbally explain to customer scope of retrofit work, customer co-pay requirements
- Customer marketing, sales, and project development
- Use of the proposal generation software to create, expedite, and streamline projects
- Submit approved project proposals signed by participating businesses
- Material procurement and installation. All equipment must meet the standard requirements and specifications set forth in this document
- Hazardous waste removal and disposal, removal and disposal of equipment and materials retrofitted or replaced as part of the project, even if the customer requests to keep it
- Providing and honoring required warranties
- Resolving customer complaints or failed inspection items within 14 calendar days
- Submitting required forms and documentation (including but not limited to material invoices and specification sheets)
- Obtaining appropriate permits in accordance with state and local laws
- Collection of residual payment from the participating business

### **P.3.2 Trade Ally Approval Process**

- Each Trade Ally must fill out, sign, and return the entire original Trade Ally Application and Agreement and required documentation to the Small Business Energy Efficiency Program team.
- Read and adhere to the Small Business Energy Efficiency Program's Policies and Procedures Manual (this document). Trade Allies are advised to read the entire document, as there are a variety of eligibility requirements that must be met to participate in the program.
- Applications submitted without the required documentation will not be processed and/or approved.
- The submission of the Application and Agreement does not in any way constitute an automatic approved status. The Consumers Energy Small Business Energy Efficiency Program reserves the right to reject any Trade Ally Application & Agreement if it does not meet the necessary requirements.
- The Small Business Energy Efficiency Program team will review the application, verify the required documentation, and check references, as necessary.
- Once the Application and Agreement has been approved and a Trade Ally has completed the training session, the Small Business Energy Efficiency Program team will notify the Trade Ally of their status within 14 calendar days. Receipt of such notification signifies that a Trade Ally is an approved Trade Ally for the Small Business Energy Efficiency Program and eligible to begin enrolling customers.
- You may not begin marketing or installing energy efficiency measures until you have been approved.

### **P.3.3 Trade Ally Removal**

The Small Business Energy Efficiency Program may terminate the Trade Ally Application and Agreement at any time upon written notification to Trade Ally. Trade Ally may be allowed to complete projects previously begun, provided Trade Ally is in possession of a signed participation agreement and/or a change order. Trade Ally will be paid an incentive for work completed as long as applicable program rules are followed.

The Small Business Energy Efficiency Program has found the use of Trade Allies to be a powerful method of leveraging resources to obtain cost-effective energy-efficiency improvements for utility customers. This approach has served all participants well and has historically produced results with a high level of customer satisfaction and few complaints. At the same time, it is important to keep in mind that a poorly performing Trade Ally may create obstacles for the entire program. Therefore, it is important to maintain oversight and mitigate any difficulties as rapidly as possible. DNV reserves the right to remove a Trade Ally from all Consumers Energy, Energy Waste Reduction programs should any conduct occur that has the potential to result in damages to Consumers Energy or its reputation across the entire portfolio of programs. Such behavior is defined but not limited to the following: willful, wanton, malicious, bad-faith, deliberate, consciously wrongful, or flagrant behavior that results in violation or misrepresentation of Consumers Energy or Consumers Energy's programs. Trade Allies may be removed from the program and the approved list. The following is a description of the processes and procedures the Small Business Energy Efficiency Program will employ when reevaluating Trade Ally participation.

#### **Criteria for removal:**

A Trade Ally will be subject to removal based on the severity of the concern, or an accumulation of frequent, less severe concerns. All concerns that rise to the level of requiring removal of a Trade Ally are a legal matter, a contractual matter with regards to the Trade Ally Application and Agreement, or a matter of professional conduct. We classify the concerns as follows:

- I. **Highly severe:** items that may result in financial, legal and/or other risks to the Small Business Energy Efficiency Program and/or the customer. In such instances, a Trade Ally may be immediately removed from the list.
  - i. Evidence of fraud or misrepresentation
  - ii. Failure to keep licenses current
  - iii. Refusal to honor warranties
  - iv. Violations of Michigan or local laws; for example, those concerning hazardous waste disposal
  - v. Bankruptcy
  
- II. **Severe:** items where customer satisfaction may be negatively impacted if not addressed. The Small Business Energy Efficiency Program will give the Trade Ally a reasonable time limit to resolve the issue. If the issue is not resolved, the Trade Ally may be removed from the program.
  - i. Failure to resolve failed inspection items or customer complaints within 14 calendar days
  - ii. Work that is inconsistent with the project proposal (quality or quantity)



iii. Installations not meeting program specifications and installation standards

III. **Administrative/cumulative:** items where Trade Ally fails to adhere to stated policies and procedures and/or reasonable standards of professional conduct, and subsequently, administrative issues arise which may not be widely visible to the customer. These situations will be monitored, and the Trade Ally will be put on probation, meaning that further disregard for program policies and procedures or standards of professional conduct may result in Trade Ally removal.

- i. Continually submitting incomplete or incorrect documentation
- ii. The Small Business Energy Efficiency Program receives more than two customer complaints within a 30-day period

#### **Process:**

1. Upon identification of an issue or concern, The Small Business Energy Efficiency Program will communicate the concerns to the Trade Ally as soon as is practicable. Communication will be by phone, followed by documentation sent to the Trade Ally via standard mail and/or e-mail. For highly severe concerns, the written document may be delivered with proof of receipt.
2. The Small Business Energy Efficiency Program will create a written record, an electronic copy of which will be placed in the Trade Ally's electronic file.
3. The Small Business Energy Efficiency Program will discuss potential resolutions with the Trade Ally and will be available for meeting with the Trade Ally to resolve the issue.
4. If a satisfactory resolution cannot be achieved, the Trade Ally will be removed from the program.

#### **Possibility of re-instatement:**

The Small Business Energy Efficiency Program may consider reinstating a Trade Ally on a case-by-case basis. However, only very rare circumstances will justify the Small Business Energy Efficiency Program evaluating a Trade Ally for re-instatement who was removed from the list for a highly severe concern.

### **P.3.4 Trade Ally Training**

Trade Ally agrees to participate in a program training session of up to four (4) hours for at least one (1) person from Trade Ally's firm. This person must be the individual that will be developing, approving, and signing the project participation agreements. On-site training is helpful for new Trade Allies as they become comfortable with the correct manner in which to perform site assessments. Trade Ally agrees to complete on-site training with a Small Business Energy Efficiency Program inspector within one month of becoming approved as a Trade Ally. This training will involve accompanying the Trade Ally to a minimum of one customer site to demonstrate how a proper assessment is performed and translated into a project application. This training will help to minimize discrepancies between the project application and the inspector's findings, thus moving the project along in the process more quickly.

### **P.3.5 Authorized Work**

Trade Ally is only authorized to perform the work as described on the project participation agreement (PA) and/or change order (CO), whichever is most current. It is the Trade Ally's responsibility to ensure that the CO is consistent with the PA signed by the participating business and to confirm any changes that may have resulted from the pre-inspection. The PA and/or the CO obligate the Small Business Energy Efficiency Program to pay the incentive to the Trade Ally, if the work has been completed in accordance with the PA and/or CO and the terms of the Trade Ally Application and Agreement. The PA obligates the participating business to pay the Trade Ally for the residual amount of the project costs not covered by the incentive, as noted on the payment notification form.

### **P.3.6 Required Licenses and W-9**

Participating Trade Allies must be either an installer, general contractor, Architecture & Engineering firm, or supplier of qualifying equipment as appropriate for services performed. Trade Ally agrees to notify the Small Business Energy Efficiency Program Team of any changes to their business that would affect work performed under this program.

Trade Ally must provide a W-9 with the Tax-ID assigned to the business name applying for approval.

### **P.3.7 Walk-away Policy**

Trade Allies must walk-away from the following on-site issues:

- Facilities with asbestos
- Facilities where proposed technology will not result in energy savings
- Facilities with existing damaged equipment that will cause proposed technologies to be inefficient
- Facilities that have already received an incentivized retrofit for the same measure (double dip)

## **P.4 PROGRAM TURNAROUND TIMES**

Trade Allies must:

- Complete installations and submit the project completion form within 60 calendar days of a passed pre-inspection or within 60 calendar days of signing the change order when a pre-inspection failed
- Resolve, and communicate resolution to the Small Business Energy Efficiency Program team, any customer complaints or failed post-inspection items within 14 calendar days

The Small Business Energy Efficiency Program will:

- Process in-coming participation agreements and verify customer eligibility within three (3) calendar days of receipt of the participation agreement
- Conduct the pre-inspection and communicate the results via the online Proposal Generation Software system within 14 calendar days of customer eligibility verification

- Conduct the post-inspection and communicate the results via the online Proposal Generation Software system within 14 calendar days of receipt of the project completion form
- Issue incentive payment to Trade Allies within 26 calendar days of a passed post-inspection or a resolved failed post-inspection

## **P.5 HAZARDOUS WASTE MATERIALS**

All materials removed must be permanently taken out of service and disposed of in accordance with local codes and ordinances. Trade Ally shall assume full responsibility for the correct disposal of all ballasts, fluorescent tubes and other hazardous waste material in compliance with the laws and regulations of the state of Michigan and the prevailing local jurisdiction. Trade Ally is responsible for being aware of any applicable codes or ordinances. Information about the requirements for the State of Michigan can be found at the Michigan Department of Environmental Quality Website: <http://www.michigan.gov/deq/>. Trade Ally shall provide the Small Business Energy Efficiency Program Team with full documentation of all hazardous waste material disposals on request.

## **P.6 PERMIT REQUIREMENTS**

Trade Ally agrees to obtain the appropriate permits for any electrical work unless the total cost of the work is less than \$100 in accordance with the requirements of the state of Michigan. For more information regarding permit requirements visit <http://www.michigan.gov/lara>. Trade Ally will be required to submit proof that a permit has been obtained for every project that requires one.

## **P.7 PROGRAM EFFECTIVE DATES**

The Small Business Energy Efficiency Program offers incentives for current program year until approved funds are exhausted or until December 31 of each program year, whichever comes first. The effective dates of the Small Business Energy Efficiency Program and document submittal requirements are as follows:

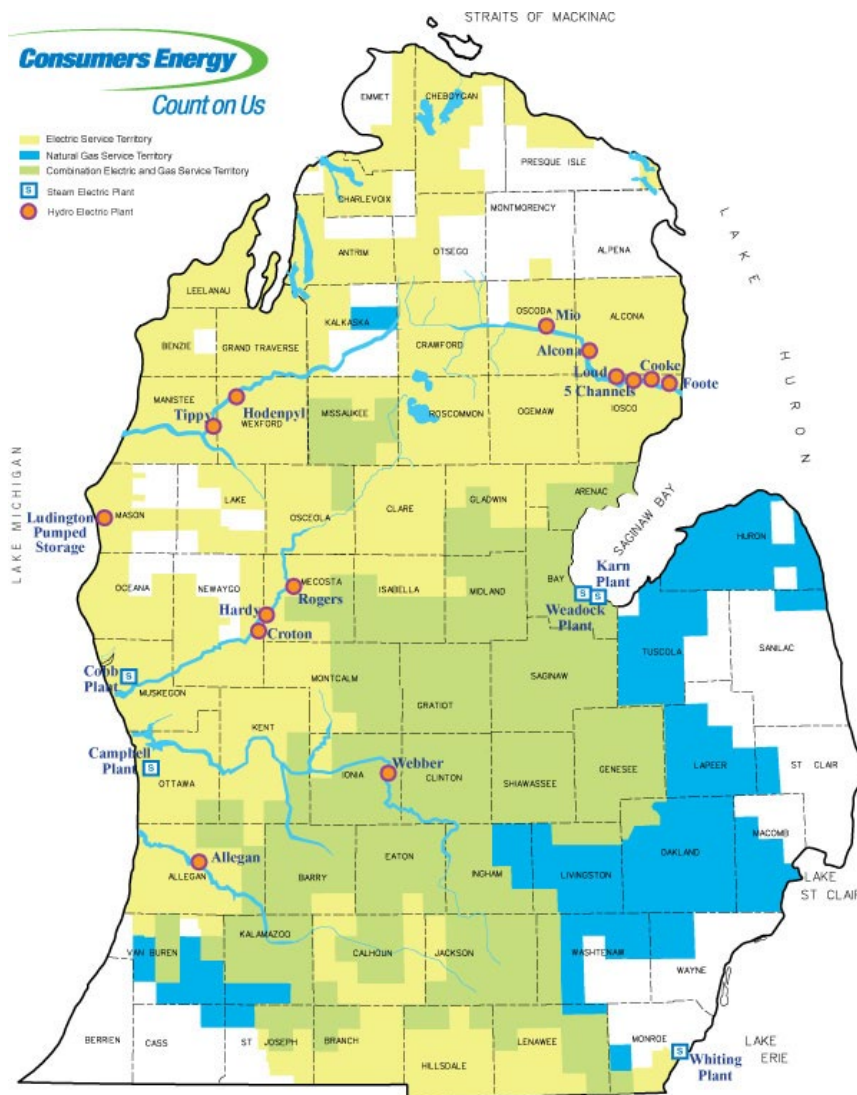
- All 2024 Small Business Energy Efficiency projects must be installed and project completion forms (described herein) received by November 30, 2024 to be eligible for 2024 program incentives
- All projects not completed in 2024 will roll over into the 2025 program year at 2025 incentive rates
- Subsequent program year budgets and plans will be made available at the beginning of the next program year

## **P.8 CUSTOMER ELIGIBILITY**

The following rules pertain to customer eligibility for the Small Business Energy Efficiency Program:

- This program is available to commercial and/or industrial customers of Consumers Energy with annual energy use of 1,200,000kWh or less, based on the previous 12 months of billing history.
- Qualified measures must be installed at facilities served by Consumers Energy, and projects must result in an improvement in energy efficiency. Equipment must meet the specifications as explained in Section P.13.
- Customer cannot apply for nor receive incentives for the same product, equipment or service from more than one utility

### CONSUMERS ENERGY SERVICE TERRITORY MAP



## **P.9 PROJECT REQUIREMENTS**

The Small Business Energy Efficiency Program includes the following project requirements:

- Projects must involve a facility improvement that results in a permanent reduction in electrical and/or gas energy use (kWh and/or MCF)
- Project savings must be sustainable for a period of five years or for the life of the product, whichever is less

Projects and equipment types that are **NOT** eligible for an incentive include the following:

- Vacant facilities
- New construction
- Addition or expansion
- Changes in building function (i.e., changing a facility from a grocery store to a gym)
- First tenant improvements
- Fuel switching (e.g., electric to natural gas or natural gas to electric)
- Changes in operational and/or maintenance practices or simple control modifications that do not involve capital costs
- Projects that involve peak-shifting with no kWh savings
- On-site electricity generation
- Projects involving renewable energy
- Backup and redundant equipment and systems (i.e., only the minimum number of units required to meet the applicable peak HVAC or process demand is eligible for incentives, regardless of whether more than the minimum number of units required to meet the peak demand will be operated and all operating units load-leveled to maximize energy efficiency)
- Projects involving systems designed to allow carbon-dioxide (CO<sub>2</sub>) levels in occupied spaces to exceed a maximum level of 1,200 ppm
- Common areas of multifamily or mixed-use buildings are not eligible but may participate through the Multifamily Program. Information for this program is located on the Consumers Energy website: <http://www.ConsumersMultifamilySavings.com/>
- LED lighting products that are not ENERGY STAR® approved or listed by DesignLights Consortium® (DLC®) in applicable categories
- Used equipment
- Projects that involve a banned or ineligible contractor as the installer, general contractor, A&E firm, or supplier of qualifying equipment

Any measures installed at a facility must be sustainable and provide 100 percent of the energy benefits as stated in the application for a period of five (5) years or for the life of the product, whichever is less. If the customer ceases to be a delivery service customer of Consumers Energy or removes the equipment or systems at any time during the five-year period or the life of the product, the customer may be required to return a prorated amount of incentive funds to Consumers Energy.

## **P.10 INCENTIVE CAPS AND LIMITS**

The customer may only receive up to a \$30,000 incentive per facility from the Small Business Energy Efficiency Program. A facility is defined as contiguous property for which a single customer is responsible for paying the Consumers Energy electric and/or natural gas bill. The incentive limits are based on actual payments per facility and apply even if payments for some or all projects are paid to one or more Trade Allies. Each facility may participate multiple times throughout the program year, up to \$30,000 in total incentives.

## **P.11 INSPECTIONS**

The Small Business Energy Efficiency Program reserves the right to conduct pre- and post-inspections at every facility. From time to time, the Small Business Energy Efficiency Program may choose to waive a pre- or post- inspection. In certain instances, the Small Business Energy Efficiency Program may choose to perform a virtual inspection utilizing our Blitz Virtual Inspection Tool. Trade Ally will agree to scheduled said inspection with the program inspector if the virtual inspection is chosen.

Failed post-inspections may result in a secondary “re-inspection” once a Trade Ally has communicated that they have resolved the issue discovered during the initial post-inspection. Small Business Energy Efficiency Program Inspectors are available to accompany Trade Allies on-site, upon request.

## **P.12 ON-SITE ENERGY ASSESSMENTS/AUDITS**

The initial on-site energy assessment (or “audit”) is conducted by the Trade Ally. This assessment is to be conducted at no cost to the customer. This assessment does not in any way obligate the customer to participate in this or any other Consumers Energy program.

At the conclusion of this assessment, Trade Ally shall thoroughly explain to the customer the changes needed to make the customer’s premises more energy efficient. In addition, Trade Ally shall explain all phases of work that will be completed on the customer’s premises.

### **P.12.1 Lighting Audits**

When conducting a lighting assessment/audit, the Trade Ally will need to collect information regarding the existing fixtures.

**Operating Hours** – Trade Allies must determine the operating hours for each fixture (or group of fixtures). The following options are available for operating hours:

- **25 (1 - 25 hours per week)**
- **40 (26 - 47 hours per week)**
- **55 (48 - 62 hours per week)**
- **70 (63 - 77 hours per week)**
- **85 (78 - 92 hours per week)**
- **100(93 - 120 hours per week)**
- **168(121 - 168 hours per week)**

**Lighting Configuration Language** – For the purposes of the Small Business Energy Efficiency Program the following lighting configuration nomenclature will be used:

## 2-4' 32W T8 LED

- # of lamps
- Length of lamps in feet
- Wattage
- Lamp type / Diameter

**Fixture Burnout** - During the initial audit and pre-inspection, fixture burnout must be noted in order to reflect actual baseline energy use. This will affect the final kW and kWh savings, which in turn affects the project incentive amount. The calculation of burnout should be done on a facility wide basis, where the burnout is calculated for the entire facility and applied to all fixtures of the same technology. The process is outlined below.

1. At the time of the initial audit/pre-inspection, conduct your lighting fixture determination, operation hour determination, and fixture count as usual
2. Note any individual lamps that are inoperable/burned out and keep a running tally
3. At the completion of the survey, sum up the total number of burned-out lamps and divide it by the total number of lamps of the same technology in the facility
4. If this factor is greater than 10 percent, apply this burnout percentage to all lamps applicable lamps included in the project. If total facility burnout is less than ten percent, the burnout can be ignored.

**Example 1**

Line Item	Area Description	Existing Fixture Type	Quantity	# of Burned Out Lamps	Total # of Lamps
1	Office #1	4-4'	10	0	40
2	Office #2	4-4'	10	9	40
3	Hall	2-4'	10	4	20
4	Kitchen	3-4'	10	7	30
				<b>20</b>	<b>130</b>
				<b>Facility Burnout =</b>	<b>15.4%</b>

Since the burnout is determined on the facility basis, the total facility burnout of 15.4% should be applied to all line items in Example 1 because all fixtures are the same technology.

When calculating burnout at facilities with multiple fixture technologies, burnout should be separated by technology, as illustrated by Example 2 below.



### Example 2

Line Item	Area description	Existing Fixture Type	Quantity	# of Burned Out Lamps	Total # of Lamps
1	Kitchen	4-4' T12 34/40W	6	12	24
2	Kitchen	100W incandescent	6	0	6
3	Dining Room	60W incandescent	6	0	6
4	Bar	2-4' T12 34/40W	8	3	16
5	Entrance Way	60W incandescent	6	0	6
6	Outside	75W H-PAR	5	0	5
7	Front & Back	Exit Sign 30W	2	0	2
	<b>Totals</b>		<b>39</b>	<b>15</b>	<b>65</b>

In Example 2, the total burnout for all linear fluorescent fixtures is 15/40, or 38%. The following is how these inspection results would be entered into the database. Since this burnout was calculated only for the linear fluorescent fixtures, the burnout will apply only to that technology.

## P.13 EQUIPMENT SPECIFICATIONS

The following provides the equipment specifications that must be met for the measures eligible for incentives.

### P.13.1 Light-Emitting Diode (LED) Retrofits

- All LED lighting products must meet the Consumers Energy Business Energy Efficiency Programs specifications to qualify. Temporary, non-hardwired and/or non-permanent fixtures are not eligible for incentives.
- All LED lighting products must be listed as an approved product for their specific purpose by ENERGY STAR® or the DesignLights Consortium® (DLC®), as noted for the applicable lighting product specification below.
- Lighting Products not listed as an approved product for their specific purpose by ENERGY STAR® or the DesignLights Consortium®(DLC®) may be eligible for incentives if they meet the following requirements:
  - The product does not fall into a category listed on the DLC® and/or ENERGY STAR® website.
  - The product not currently listed meets the DLC® and/or ENERGY STAR® specifications.
  - The product is UL, ETL, cUL, or CSA Certified.
  - The products has an IES-LM-79-08 testing report from an accredited laboratory.
  - The product has a L<sub>70</sub> Lifetime ≥ 50,000 hours or a L<sub>90</sub> Lifetime ≥ 36,000 hours.
  - The product has at least a 5-year warranty.
- Fixture wattage as listed within the application must include any applicable ballast or other required operating device.



- For LED lighting fixtures featuring the capability of varying wattages and/or lumen outputs after installation, the energy savings (kWh) shall be based on the maximum wattage setting unless documentation is provided sufficient to verify a setting that is less than the maximum fixture wattage setting.
- Rebranded LED lighting products do not qualify for an incentive unless the rebranded light is listed by DesignLights Consortium® (DLC®) or ENERGY STAR® under its rebranded name. Both the manufacturer (as defined by DLC®) and model number must match on the lamp/fixture, invoice, specification sheet and DLC® or ENERGY STAR® listing.
- These measures are not available for LED fixtures and lamps discounted by any utility company and purchased at retail stores participating in the LED discount program. Incentives for LED fixtures and lamps purchased from those retailers are included in the discounted price (Discounted LEDs are identified at point of purchase).
- Incentive is based on the total electricity savings (kWh) for all LED lighting measures in this section.

### **Linear LED Tube Light Type Classifications:**

Linear LED tube lights (TLEDs) are defined by the DesignLights Consortium® (DLC®) as all tube-style LED products that use the lamp holders (e.g. sockets or tombstones) in the luminaire to connect to the lighting fixture housing and the electrical supply mechanically and electrically.

Type classifications are as follows:

- **UL Type A:** TLEDs are used as a direct replacement for existing fluorescent tubes, reusing the existing fluorescent ballast and lamp holders to connect the TLED to the fixture.
- **UL Type B:** TLEDs typically use the lamp holder (either existing or retrofitted) to connect the TLEDs to the existing fluorescent fixture and the existing fluorescent ballast is bypassed or removed. TLEDs have internal drivers and run off line voltage.
- **UL Type C:** TLEDs are connected to the low voltage side of a new TLED external driver and the existing fluorescent ballast is disconnected and fully removed from the existing fluorescent fixture.
- **Dual Mode (DM) Internal Drivers (UL Type A and Type B):** TLEDs may operate off the existing fluorescent ballast or be rewired to operate off line voltage. They have the same requirements as Type A or Type B TLEDs.

### **Interior Linear LED Tube Lights Replacing T8 or T12 Fluorescent Lamps:**

- Linear LED tube lights (TLEDs) must be replacing existing interior T8 or T12 linear fluorescent lamps.
- Any existing T12 fixture ballasts must be removed or permanently disabled.
- Linear LED tube lights must be listed by the DesignLights Consortium® (DLC®) for linear replacement lamps or meet the following requirements:
  - Non-Listed LED lighting requirements indicated under “Light Emitting Diode (LED) Retrofits” above.
  - Efficacy  $\geq$  120 lumens/watt.
  - CR I  $\geq$  80.
  - CCT  $\leq$  6,500 kelvin.
- New fixtures utilizing LED tube lights are NOT eligible for this measure.

### **Permanent Interior T8 or T12 Fluorescent Lamp Removal:**

- Available for the permanent removal of existing T8 or T12 fluorescent lamps.
- This measure is applicable when retrofitting from T8 or T12 lamps to linear LED tube lights. Removal of lamps from a fixture that is not retrofitted with linear LED tube lights is not eligible for this measure.
- Must combine this measure with the Interior Linear LED Tube Lights Replacing T8 or T12 Fluorescent Lamps measure above.
- The quantity of lamps permanently removed is based on the difference between the pre-existing quantity of operational fluorescent lamps and the quantity replaced with LED tube lights in the affected lighting fixtures.
- Customers are responsible for determining whether to use reflectors in combination with lamp removal to maintain adequate lighting levels that meet the Illuminating Engineering Society of North America (IESNA) recommended lighting levels.
- Unused lamps, lamp holders and ballasts must be permanently removed from the fixture and disposed of in accordance with local regulations.

### **Interior LED Lighting Retrofits:**

- The new LED lighting product must either be a permanently wired LED lamp retrofit or a completely new LED lighting fixture.
- New LED lighting product must replace or retrofit existing incandescent, mercury vapor, T8 fluorescent, T5/T5HO fluorescent, T12 fluorescent, or high-intensity discharge (HID) lighting fixtures in interior applications.
- New LED lighting product must be listed by the DesignLights Consortium® (DLC®) or meet the following requirements:
  - Low bay:
    - Non-Listed LED lighting requirements indicated under “Light Emitting Diode (LED) Retrofits” above.
    - Efficacy  $\geq$  115 lumens/watt.
    - CR I  $\geq$  80.
    - CCT  $\leq$  6,500 kelvin.
  - High bay:
    - Non-Listed LED lighting requirements indicated under “Light Emitting Diode (LED) Retrofits” above.
    - Efficacy  $\geq$  120 lumens/watt.
    - CR I  $\geq$  70.
    - CCT  $\leq$  6,500 kelvin.
- Linear LED tube light retrofits, linear LED tube light fixtures, LED trim kits and screw-in LED lamps are not eligible for these measures, however they may be eligible for another LED lighting measure.

### **Screw-In LED Lamp Replacing HID Lamp:**

- Existing HID lamps must be equal to or less than a nominal 400W lamp.
- The new LED lamp must:
  - Receive power through the existing mogul base.
  - Be permanently wired around the existing ballast.
  - Be in full compliance with the authorities having jurisdiction.
  - Comply with applicable Interior, Exterior, Parking Garage, or Signage and Canopy Decorative/Security LED lighting measure requirements specified in this section.

### **Exterior LED Lighting Retrofits:**

- Available for exterior applications for replacing existing incandescent (over 250 watts) or high-intensity discharge (HID) fixtures with a new LED lighting fixture or retrofit kit.
- Applicable to exterior fixtures that are on a minimum of 11 hours/day.
- The new LED lighting fixture or retrofit kit must be listed by the DesignLights Consortium® (DLC®) or meet the following requirements:
  - Non-Listed LED lighting requirements indicated under “Light Emitting Diode (LED) Retrofits” above.
  - Efficacy  $\geq$  105 lumens/watt.
  - CR I  $\geq$  70.
  - CCT  $\leq$  6,500 kelvin.
- Linear LED tube light retrofits, new Linear LED tube light fixtures, screw-in LED lamps, signage LED lamp retrofits and fixtures, and Canopy Decorative/Security LED lamp retrofits and fixtures are not eligible for this measure, however they may be eligible for another LED lighting measure specified in this section.

### **Parking Garage LED Lighting Retrofits:**

- Available for parking garage applications for replacing existing incandescent (over 250 watts) or high-intensity discharge (HID) fixtures with LED fixtures.
- Applicable to parking garage fixtures that are on approximately 20 hours a day.
- The new LED lighting fixture or retrofit kit must be listed by the DesignLights Consortium® (DLC®) or meet the following requirements:
  - Non-Listed LED lighting requirements indicated under “Light Emitting Diode (LED) Retrofits” above.
  - Efficacy  $\geq$  105 lumens/watt.
  - CR I  $\geq$  70.
  - CCT  $\leq$  6,500 kelvin.
- Linear LED tube light retrofits, new Linear LED tube light fixtures, and screw-in LED lamps are not eligible for this measure, however they may be eligible for another LED lighting measure specified in this section.

### **Signage and Canopy Decorative/Security LED Lighting Retrofits:**

- Available for replacing an existing incandescent, high-intensity discharge (HID), fluorescent, or neon fixture with a permanently wired LED lamp retrofit or a completely new LED fixture.
- This measure is intended for the replacement or retrofit of interior-lit roadway/walkway signage lighting, canopy decorative/security lighting, or permanently wired neon lighting.
- The new LED lighting product must be listed by the DesignLights Consortium® (DLC®) or ENERGY STAR® for the applicable lighting type or meet the following requirements:
  - Non-Listed LED lighting requirements indicated under “Light Emitting Diode (LED) Retrofits” above.
  - Efficacy  $\geq$  80 lumens/watt.
- Applicable to signage and canopy decorative/security lighting fixtures that are on a minimum of 10 hours/day.

### **P.13.2 Interior Lighting Occupancy Sensor Controls**

- This measure is available for installing passive infrared, ultrasonic or microwave detectors that control existing interior lighting fixtures.
- Cannot be combined with centralized lighting controls.
- Lighting fixtures with magnetic ballasts are not eligible for this measure.
- Cannot be replacing an existing, operational occupancy sensor.
- Incentive is based on the total wattage of the controlled fixtures.

### **P.13.3 LED Lighting for Refrigerated Cases**

- Available for replacing existing T12 or T8 fluorescent refrigerated case lighting with LED source illumination. Fluorescent lamps, ballasts, and associated hardware are typically replaced with prefabricated LED light bars and LED driver units.
- New lighting fixtures must be replacing T12 or T8 fluorescent lighting fixtures in an existing refrigerated case or be installed in a new refrigerated case that is replacing an existing refrigerated case with T12 or T8 fluorescent lighting installed.
- The new LED lighting product must be approved by DesignLights Consortium® (DLC®) for use as refrigeration lighting or be designed for refrigeration applications and meet the following requirements:
  - UL, ETL, cUL, or CSA Certified.
  - Have an IES-LM-79-08 testing report from an accredited laboratory.
  - L70 Lifetime  $\geq$  50,000 hours.
  - Warranty  $\geq$  5 years.
  - Efficacy  $\geq$  95 lumens/watt.
  - CRI  $\geq$  80.
  - CCT  $\leq$  6,500 kelvin.
- Incentive is based on the linear feet of new LED lighting installed.

### **P.13.4 Occupancy Sensors for Refrigerated Case LED Lighting**

- Occupancy sensors must monitor at least two doors per sensor.
- Refrigerated case must have LED lighting that has an efficacy of at least 35 lumens per watt and a CRI of at least 72.
- New occupancy sensors must have a minimum warranty of three years.
- Incentive is per door controlled.

### **P.13.5 Refrigerated Case Anti-Sweat Heater Controls**

- Available for installing a control device, for existing anti-sweat heaters that currently run continuously, that senses the relative humidity in the air outside of the refrigerated display case and reduces or turns off the glass door (if applicable) and frame anti-sweat heaters at low-humidity conditions.
- Technologies that can turn off anti-sweat heaters based on sensing condensation (on the inner glass pane) are also eligible for this measure.

- Doors must have never previously had anti-sweat heater controls.
- The incentive is based on the total number of doors on the case that are controlled.

### **P.13.6 Electronically Commutated Evaporator Fan Motors (ECM)**

- Available for the replacement of an existing standard efficiency shaded-pole (SPM) or permanent split capacitor (PSCM) evaporator fan motor with an electronically commutated motor (ECM) for existing walk-in and case coolers and freezers.
- Evaporator fan ECMs installed in new walk-in or case coolers or freezers are not eligible for this measure.
- Incentive is per existing motor replaced, and the incentive rate is higher for walk-in vs. case coolers and freezers.

### **P.13.7 Walk-in Cooler or Freezer Evaporator Fan ECM Speed Controls**

- Available for installation of speed controls for evaporator fans with electronically commutated motors (ECM) in walk-in coolers (medium-temperature) and freezers (low-temperature) to reduce the airflow of the evaporator fans when there is no refrigerant flow.
- Must control at least two evaporator fan ECMs rated at least 1/20 HP that currently operate continuously at full speed.
- Must reduce fan motor power by at least 75% during defrost off cycle.
- Replacing at least two permanent split capacitor (PSCMs) or shaded pole (SPMs) evaporator fan motors with ECMs and utilizing onboard or external controls to vary the speed is eligible for this measure.
  - May be combined with Electronically Commutated Evaporator Fan Motors (ECM) measure specified above.
- Not applicable if one of the following conditions applies:
  - Compressor runs all the time with high-duty cycle.
  - Evaporator fan does not run at full speed all the time.
  - Evaporator fan motor runs on poly-phase power.
  - Evaporator fan does not use off-cycle or time-off defrost.
- Incentive is per speed controller installed.

### **P.13.8 Refrigerated Space Doorway Strip Curtains**

- Available for installing new strip curtains or plastic swinging doors on doorways of refrigerated spaces such as medium temperature (40°F) walk-in coolers or refrigerated warehouses and low temperature (0°F) walk-in freezers or refrigerated warehouses.
- Opening between the strip curtain and bottom of doorway must be no larger than 1 inch.
- Strips must have an overlay greater than 1 inch.
- It is recommended that low temperature strip curtains be used on low temperature applications.

- This measure is not available for replacement of existing strip curtains that have remaining useful life (not missing any strips) and/or that were purchased within the last four years.
- Incentive is based on the area of the doorway (ft<sup>2</sup>), and the incentive rate is higher for a low temperature vs. a medium temperature refrigerated space.

### **P.13.9 Walk-in Cooler or Freezer Door Gasket Seals**

- Available for replacing existing worn gasket seals on doorways to walk-in coolers and freezers.
- Incentive is per linear foot of existing gasket seals replaced.

### **P.13.10 Advanced Power Strips**

- Applies to surge protectors with built-in plug-load detection and control capabilities.
- The surge protector (power strip) must include at least one uncontrolled socket, which would be a primary device.
- Turning the primary device (usually a computer) on or off subsequently will turn the associated controlled devices in the power strip on or off (e.g., printers, monitors).
- The intelligent power strip may also contain sockets for devices that require a constant supply of power that will not be affected by the primary device.
- Incentive is per new advanced power strip utilized.

### **P.13.11 Beverage Vending Machine Misers**

- Miser must include a passive infrared occupancy sensor to turn off fluorescent lights and other vending machine systems when the surrounding area is unoccupied for 15 minutes or longer.
- The control logic should power up the machine at a minimum of every two hours to maintain product temperature and provide compressor protection.
- For refrigerated beverage machines located indoors, backlighting lamps and ballasts should be removed to obtain additional energy savings.
- Incentive is per miser installed.

### **P.13.12 Drinking Water Cooling Misers**

- Water cooling miser must be installed on a water-cooling machine such as a water/drinking fountain.
- Misers must include a passive infrared occupancy sensor to turn off refrigeration systems when the surrounding area is unoccupied for 15 minutes or longer.
- Incentive is per miser installed.

### **P.13.13 Snack Vending Machine Miser**

- Occupancy control unit (miser) must be installed on a non-refrigerated snack vending machine (e.g. candy machines).

- Misers must include a passive infrared occupancy sensor to turn off the machine's lighting systems and any other vending machine electrical systems when the surrounding area is unoccupied for 15 minutes or longer.
- Incentive is per miser installed.

### **P.13.14 High-Efficiency Electric Hand Dryers**

- Available for installing energy-efficient electric hand dryers in existing restrooms.
- New electric hand dryers must have an electric demand rating less than or equal to 1,500 Watts and a maximum cycle time of 15 seconds.
- Replacement of existing high-efficiency hand dryers is not eligible for this measure.
- This measure is available for installing a qualified hand dryer where none currently exists or replacing existing hand dryers in existing restrooms.
- The measure is only available for facilities that do not use paper towel dispenser or other non-dryer applications in those specific restrooms after installation of the new hand dryer.
- Incentive is per hand dryer installed.

### **P.13.15 High-Efficiency Window Film**

- Available for film applied to an existing window having an east, west, or southern exposure and a minimum of a 5-years manufacturer's warranty.
- Film must be applied to an existing window assembly featuring a Shading Coefficient (SC) value  $\geq 0.84$  and a U-Value  $\geq 0.72$ . These values are typical of a clear, double-pane window, although conditions of pre-existing window assembly will need to be reviewed on a case-by-case basis.
- The installed window film must have a Solar Heat Gain Coefficient (SHGC) value of  $\leq 0.39$  and a U-value of  $\leq 0.72$ .
- The space having window glazing upgraded with high-efficiency window film must be cooled by equipment using a vapor-compression refrigeration cycle (e.g. DX RTU or chiller).
- Spaces cooled by evaporative cooling absorption chillers are not eligible for this measure.
- To convert Shading Coefficient (SC) to SHGC: multiply  $SC \times 0.87$ .
- This measure is available for Consumers Energy electric customers.
- Incentive is based on the area (ft<sup>2</sup>) of the affected window glazing.

### **P.13.16 Hotel Wireless Guest Room Occupancy Sensor (GREM)**

- Available for installation of sensors to control existing natural gas heating units for individual hotel rooms.
- Available for installation of sensors to control existing heat pumps and other electric heating units for individual hotel rooms.
- Sensors controlled by a front desk system are not eligible for this measure.
- Sensors must be controlled by automatic occupancy detectors, and it is recommended that during unoccupied periods the default set point for controlled units differ by at least 8 degrees from the occupied period set point.
- Key cards that indicate occupancy are eligible for this measure.



- Replacing or upgrading existing occupancy-based controls is not eligible for this measure.
- A floor plan defining the room layout and location of sensors must be provided with the application form.
- The incentive is per guest room controlled, not per sensor. For multi-room suites, this measure is available per room controlled if a sensor is installed in each room.

### **P.13.17 Other Lighting, Electric or Refrigeration Measures**

See the Consumers Energy Small Business Energy Efficiency Program for custom measure requirements. However, please contact the program team for specific requirements for the measure considered.

## **P.14 PROGRAM WARRANTIES**

The Trade Ally will honor the following warranties for work performed in the Small Business Energy Efficiency Program:

- Two years' labor

Manufacturer's warranty on equipment installed as follows:

- 1 Year - Refrigeration measures
- 1 Year - Occupancy sensors and photocells
- 1 Year - HVAC controls
- 2 Years - Advanced Power Strip
- 3 Years - Guest Room Energy Management
- 5 Years - Electronic ballasts
- 5 Years - LEDs and induction
- 5 Years - Window High Performance Film
- 10 Years - Reflectors

## **P.15 DETAILED PROGRAM STEPS**

A customer may choose to cancel a project at any time prior to the installation. A customer may contact the Small Business Energy Efficiency Program to cancel a project. A Trade Ally cannot penalize a customer in any way for canceling a project prior to installation.

### **Step 1 – Small Business Energy Efficiency Program Overview and Energy Assessment**

Trade Ally shall perform no-cost energy assessments at participating customer facilities. This assessment does not in any way obligate the customer to participate in this or any other Consumers Energy program. After this assessment, Trade Ally shall thoroughly explain to the customer the changes needed to make the customer's premises more energy efficient. In addition, Trade Ally shall explain all phases of work that will be completed on the customer's premises.

### **Step 2 –**



## **Project Proposal and Participation Agreement**

- a) Trade Ally prepares one or more versions of the participation agreement using the Small Business Energy Efficiency Program's Proposal Generation Software.
- b) The Small Business Energy Efficiency Program reviews and approves non-standard participation agreements, as appropriate. Approval is automatic if measures, savings, and costs are standard.
- c) Customer reviews the participation agreement and signs if customer wishes to proceed
  - o Customer must sign and/or initial, where applicable.
  - o Initials where required, a check mark or "X" not accepted.
  - o Customer and/or Trade Ally may not modify the participation agreement terms and conditions in any way.
- d) Trade Ally signs and submits the participation agreement to the Small Business Energy Efficiency Program. If funds are available, incentives are reserved at the time the completed participation agreement is received by the Small Business Energy Efficiency Program
  - o When submitting participation agreements, it is recommended to submit a map or audit notes, listing the locations of the proposed retrofit(s).
  - o If more than one Trade Ally submits a participation agreement for the same facility, the first signed participation agreement received by the Small Business Energy Efficiency Program will be considered the active project. If a customer chooses to go with a second Trade Ally, after signing a participation agreement, that customer may contact the Small Business Energy Efficiency Program to cancel the first participation agreement as long as the installation has not yet been started.

## **Step 3 – Eligibility Confirmation**

The Small Business Energy Efficiency Program Team will verify the customer's eligibility through customer- provided bills, customer look-up tool in PGS, or eligible customer list from Consumers Energy. If eligible, the Program team will sign the agreement and provide the customer with a copy of the signed agreement.

## **Step 4 – Pre-installation Inspection**

- a) Customer provides access to the facility.
- b) The Small Business Energy Efficiency Program Team may conduct a pre-installation inspection to verify existing equipment types and quantities and ensure that all proposed measures are feasible and appropriate.
- c) If significant errors or inaccuracies greater than ten percent are identified by the Small Business Energy Efficiency Program team, a new agreement will need to be signed by the customer and Trade Ally.
- d) If inaccuracies less than ten percent are identified by the Inspection Team, the Trade Ally signs and submits a change order.

- e) Change Order letter is sent to the customer.
- f) Trade Allies will be required to maintain a 75% Pre-Inspection Pass rate. A monthly inspection metric report will be reviewed by the Program Team to verify inspection rates. Trade Allies that fall below this rate may be limited in the number of projects they can submit. This limit will be removed only after the next five projects pass inspection at 100%.

### **Step 5 – Measure Installation and Project Completion Form**

- a) Trade Ally works with customer to schedule installation.
- b) Trade Ally performs the installation within 60 days of the passed pre-inspection or change order.
- c) Upon completion of the installation, Trade Ally obtains the customer's signature on the project completion form, completes the project completion form and sends to the Small Business Energy Efficiency Program.

### **Step 6 – Post-installation Inspection**

- a) Customer provides access to the facility.
- b) The Small Business Energy Efficiency Program may conduct a post-installation inspection to verify that all measures have been correctly installed.
- c) Trade Ally resolves any discrepancies.
- d) As part of program evaluation, Consumers Energy has a measurement and evaluation contractor that inspects and monitors a sample of energy efficiency project installations. The Small Business Energy Efficiency Program may be evaluated by this organization.

### **Step 7 – Final Approval Process and Final Payment Notification**

- a) The Small Business Energy Efficiency Program notifies the customer and Trade Ally that the project is ready for incentive payment via the payment notification form.
- b) If the post-installation inspection fails or no post-inspection is performed, Trade Ally and the customer have 14 calendar days after the date on the payment notification form to contest the project details and make corrections.
- c) If post-installation inspection passes, the project will proceed to payment with no 14-day notification period.
- d) Once the project is approved or the 14-day waiting period has passed, the Small Business Energy Efficiency Program will request that a check be issued to Trade Ally for the incentive. Trade Ally will receive this check within 26 calendar days from the end of the payment notification period.
- e) Trade Ally invoices the customer for the balance of the project cost, as provided on the payment notification form.

## **P.16 FORMS**

- Trade Ally Application and Agreement
- Policies and Procedures Manual
  - Includes equipment specifications
- Participation Agreement (PA)
  - Contract between the Small Business Energy Efficiency Program, the customer, and the Trade Ally
  - Contains terms and conditions and required disclosure statements
  - Trade Ally and customer signature required
  - Funds are reserved once the Small Business Energy Efficiency Program has received completed PA
  - The program will send customer a signed copy of the PA
  - Customer and Trade Ally cannot cross out or modify any of the terms and conditions
- Pre-Inspection Form
  - Small Business Energy Efficiency Program use only. The Small Business Energy Efficiency Program reserves the right to conduct both pre- and post-inspections of all projects
- Change Order Form
  - Required if pre-inspection failed
  - Once signed and returned to the Small Business Energy Efficiency Program, construction may begin (unless pre-inspection passed)
- Project Completion Form
  - Signed by customer and Trade Ally at project completion and returned to Small Business Energy Efficiency Program
- Post-Inspection Form
  - Small Business Energy Efficiency Program use only. The Small Business Energy Efficiency Program reserves the right to conduct both pre- and post-inspections of all projects
- Notification of Payment
  - Provides detail on total incentive approved for payment and final site verification findings
  - Customer and Trade Ally have 14-day dispute period
  - Provide reason for dispute in comment section of form and return to Small Business Energy Efficiency Program within 14 days of date stamp
  - Period is waived if post-inspection passed

## **P.17 PROJECT STATUSES**

Throughout, various statuses are identified based on where a project is in the process. The following table provides a complete list of possible statuses along with a definition of each.

### **Definition of Project Statuses**

Proposal Initiated	Proposal has been entered but not submitted for approval.
Proposal Generated	New proposal has been entered by trade ally and submitted for approval.
Proposal Waiting for Approval	Proposal contains non-standard elements (e.g. Additional costs or custom replacements) that must be reviewed by DNV staff before the PA may be downloaded.
Proposal Approved	PA is available for download.
Proposal Accepted	Customer's eligibility has been verified and the funds reserved.
Modify Proposal	Customer's co-pay changed more than 10% due to discrepancies found at pre-inspection. Please download the modified PA and obtain customer's signature.
Change Order	A Change Order should be signed by trade ally and sent in.
Construction	Trade Ally may move forward with installation.
Construction Completed	PCF has been received.
Project Resolution	Issues were found at post-inspection.
Project Notification	Project is ready to be paid.
Payment	Payment request has been sent to Accounting.
Project Completed	Check has been mailed to Trade Ally.

### **P.18 PRICING**

The Small Business Energy Efficiency Program has established "standard prices" based on market surveys and other pricing information. Trade Allies that submit standard proposals with standard prices and measures will be able to download the participation agreement immediately (no wait period). Trade Allies may adjust from standard on each project.

"Non-standard" proposals are defined as:

- Change from standard material price.
- Change from standard labor price.
- Change from standard "other" price.
- Custom measure (Trade Ally may need to provide energy savings calculations).

Adjustments are subject to Small Business Energy Efficiency Program staff review and approval.

### **P.19 PAYMENT PROCESS**

When the installation has been verified as completed per the steps outlined in this manual, Trade Ally will be paid the incentive directly by the Small Business Energy Efficiency Program. The customer is responsible for paying Trade Ally their portion of the project cost as stated in the participation agreement. Incentives are taxable and, if greater than \$600, will be reported to the Internal Revenue Service unless Trade Ally's business is exempt or a corporation. The Small Business Energy Efficiency Program will report Trade Ally incentive(s) as income to Trade Ally on IRS Form 1099 unless Trade Ally has indicated corporation or exempt tax status on the Trade Ally information portion of the Trade Ally Application and Agreement. Trade Ally must provide the Business Energy Efficiency Program with its tax identification number (usually FEIN) on the Trade Ally information portion of the Trade Ally Application & Agreement.

Consumers Energy and DNV are not responsible for any taxes that may be imposed on Trade Ally's business because of Trade Ally's receipt of incentives.

## **P.20 CUSTOMER CO-PAY**

Trade Ally shall disclose in writing to participating businesses any co-pay obligations. Trade Ally is solely responsible for collecting payments that are not covered by the Small Business Energy Efficiency Program from the participating business. The Small Business Energy Efficiency Program has no obligation to compensate Trade Ally for non-payment by the participating business. Trade Ally has the right not to perform the installation if Trade Ally has concerns about the credit-worthiness of the participating business.

Trade Ally and the participating business may also establish their own mutually agreeable payment terms if the standard payment terms of the program (full payment upon completion of work) are not satisfactory. The Trade Ally may waive the customer co-pay. The Trade Ally shall advise the customer that the co-pay exists on all Small Business Energy Efficiency Program forms, and that the Trade Ally is waiving this fee, if applicable.

In no case, may the Trade Ally charge the customer a co-pay that is higher than the co-pay amount specified in the payment notification form for services specified on that form. Under no circumstances should a customer's co-payment be collected prior to the completion of the post-inspection and/or resolution of any discrepancies found by the Small Business Energy Efficiency Team.

## **P.21 FIELD INSPECTION REVIEWS**

Every six months, in January and July, a field inspection review takes place. All pre and post inspections that are performed between January - June and July - December are summed and recorded on the Semi-Annual Field Inspection Documentation Review form. All inspection information is inputted into a back-up document to support the review form. The back-up document contains the project number, project name, and date inspection was completed or waived.

The Consumers Energy Program Manager reviews the documents and selects a percentage of files to review based on the total number of inspections performed. Once completed, the CE PM fills out the form according to their findings and signs the form. The Implementation Contractor program manager also signs the form and returns to the CE PM. Upon completion, the forms are supplied to the CE PM, IC PM, and CE QA manager.

## **P.22 SATISFACTION**

The Small Business Energy Efficiency Program Team strives to ensure a high level of satisfaction with all aspects of the Small Business Energy Efficiency Program. However, if any problems or concerns should arise, we encourage you to contact Small Business Energy Efficiency Program Hotline at 877-607-0737. If the staff cannot resolve any concern or dispute to your satisfaction, they will consult the Small Business Energy Efficiency Program manager for a resolution. If the issue cannot be resolved, the Small Business Energy Efficiency Program will contact the Consumers Energy Program Manager for assistance. Finally, participants may contact the Michigan Public Service Commission, Energy Division, if unable to resolve the issue via the aforementioned means.

## **P.23 TAX IMPLICATIONS**

Paid incentives that exceed \$600 are reported to the IRS on Form 1099. Incentive payments may have tax implications for businesses and/or Trade Allies who receive them. The recipient is responsible for any and all tax payments that may result from an incentive payment. Participating businesses and Trade Allies are encouraged to consult their accountant or tax experts to determine implications.

## **P.24 DISCLAIMER**

The Small Business Energy Efficiency Program and/or Consumers Energy has no obligations regarding and do not guarantee the energy savings and does not make any warranties associated with the measures eligible for incentives under this program. Consumers Energy has no obligations regarding and does not endorse or guarantee any claims, promises, work, or equipment made, performed, or furnished by any Trade Allies or equipment vendors that sell or install any energy efficiency products and/or equipment.

## **P.25 PROGRAM FUNDING**

The Small Business Energy Efficiency Program has limited funding and incentives will be paid until allocated funds are depleted. If funds are available, incentives will be reserved once a completed participation agreement has been received by the Small Business Energy Efficiency Program Team. This program may be modified or terminated without notice.

## **P.26 PROPRIETARY OR CONFIDENTIAL INFORMATION OR DATA**

During performing services in this program, parties may gain knowledge of information or data of a proprietary or confidential nature belonging to Consumers Energy, DNV, or the customers served by the Small Business Energy Efficiency Program. All parties acknowledge and agree to neither divulge nor disclose any such information to any third party (or parties) without the express written consent of DNV, Consumers Energy, and the Trade Ally, nor to allow such information to be divulged or disclosed.

The Trade Ally agrees not to use the names, identifying characteristics, logo, service mark or trademark of Consumers Energy, DNV and/or the Small Business Energy Efficiency Program for published project reports, advertising, sales promotion or other publicity without the written approval from Consumers Energy and/or DNV.

## **P.27 LIABILITY**

Trade Ally shall defend, indemnify and hold DNV and Consumers Energy, its officers and directors, employees harmless from and against any and all claims, demands, causes of action, suits and other litigation and related damages, losses and expenses, violation of any laws, or failure to maintain any licenses or permits, including but not limited to attorney's fees arising out of or resulting from the services performed or failed to be performed by Trade Ally or anyone for whose acts Trade Ally may be liable.

Trade Ally shall reimburse DNV and/or Consumers Energy for all expenses, including but not limited to attorney's fees, paid or otherwise incurred to in interest, of and from any and all debts, demands, actions, causes of action, suits, accounts, covenants enforce the provisions of this paragraph if either Trade Ally's or Trade Ally's insurer refuses to so defend, indemnify or hold DNV and/or Consumers Energy harmless as provided above. Trade Ally hereby unconditionally and irrevocably releases and forever discharges, to the fullest extent permitted by applicable law, DNV and Consumers Energy, its officers, directors, employees, agents, representatives, assigns, affiliates, parents, subsidiaries, and successors, contracts, agreements, damages, and all claims, demands, and liabilities arising in relation to the Trade Ally Application and Agreement or the work of Trade Ally hereunder.

## **P.28 DEFINITIONS**

**BEF:** Ballast Efficacy Factor

**Btuh:** British Thermal Units per hour

**CEE:** Consortium of Energy Efficiency

**COP:** Coefficient of Performance

**Customer:** The customer is the utility customer-of-record who pays the bills for the principal account (the account with the largest kWh or Mcf use) that is affected by the project. The primary criterion for determining the customer is the account name.

**Customer:** Consumers Energy business customer with annual energy use of 1,200,000kWh or less.

**Facility:** The primary criterion for determining the extent of a site is necessary for the incentive cap. A facility is defined as a customer at a single address having contiguous property.

**IPLV:** Integrated Part Load Value

**LED:** Light-emitting Diode

**Incentive:** The incentive is the amount to be paid to the Trade Ally once the final project documentation has been approved.

**MLPW:** Mean Lumens per Watt

**PTAC:** Package Terminal Air Conditioner

**Program Year:** The program year starts January 1, 2024 and ends December 31, 2024.

**THD:** Total Harmonic Distortion

## **P.29 CONTACT INFORMATION**

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