

Technical Sheet

New Construction Custom

Effective Date: February 23, 2024

The Pepco Energy Savings for Business Program offers incentives to install energy efficient measures not included in other Pepco equipment-specific applications.

To take advantage of these incentives, you must meet the following eligibility requirements:

- 1. Be a Pepco customer and business in the Maryland territory.
- 2. Doing site preparation for and construction of entirely new structures and/or extensions to existing buildings, or
- 3. Doing extensive alterations of an existing building encompassing projects where lighting and HVAC systems are being completely replaced.

New Construction refers to site preparation for and construction of entirely new structures and/or extensions to existing buildings. Major renovation refers to extensive alteration of an existing building encompassing projects where lighting and HVAC systems are being completely replaced. Installation of equipment in other types of buildings should use either Existing Building applications (if building's electrical demand is >100kW) or Small Business applications (if building's electrical demand is ≤100kW).

All projects require pre-approval.

You can also contact your installation contractor or equipment vendor to discuss energy efficiency equipment options. If you do not have a contractor or vendor in mind, please visit our website for a list of Service Providers.

All projects MUST receive pre-approval before purchasing equipment or beginning work. Please review the program process and eligibility requirements on the program website as well as the Terms and Conditions. Please contact the program office with any questions.

How to Apply:

- 1. The application is completed and submitted via the online <u>Application Center</u>. Pre-approval is required before proceeding. The following supporting information must be included with the application:
 - ✓ Completed and signed <u>Terms and Conditions (T&Cs)</u>
 - ✓ Specification sheets for all proposed measures
 - Technical Analysis Study Report (TASR) or equivalent report, supporting calculation spreadsheets (unprotected), or other back-up documentation.
- 2. A technical analysis describing the facility, the existing equipment, proposed upgrades, estimated cost, and savings calculations must be provided. The preferred format is the Technical Analysis Study Report (TASR) available on the website. However, any equivalent format is acceptable. Savings calculations must be provided on an unprotected Excel workbook showing the formulas. If building simulation software is utilized, you must provide detailed input and output data.
- 3. The Program reviews submitted documentation, revises and/or requests additional documentation as necessary. A site inspection may be required as part of the pre-approval process.
- 4. The Program emails the project pre-approval to the customer and Service Provider.
 - A copy of the signed pre-approval letter and detailed project invoice, indicating total project cost, incentive amount, balance of cost to be paid by customer, and acknowledgement of project completion must be uploaded to the online Application Center upon project completion by the pre-approval deadline. The invoice should match the application information.
- 5. If the scope of work has changed, then the Program must be notified as soon as possible. If your project increases the incentive amount by more than \$2,500 or 10% of the reserved amount whichever is greater a separate application must be submitted for the variance prior to installation and will need to go through the application pre-approval process.
- 6. The Program may require a post-installation inspection to verify compliance with program rules, accuracy of project documentation, and equipment operation.

The Program distributes the incentive check to the payee following final approval processing.



Eligible Measures

All measures combined must save a minimum of 25,000 kWh/year of electric energy. Ineligible measures are:

- 1. Those included in another New Construction program offering,
- 2. Demand reduction measures unless they clearly and verifiably provide energy savings, as well,
- 3. Operations and maintenance measures/procedures, and
- 4. Measures implemented for code requirement purposes.

Eligible measures must provide energy savings beyond criteria established by State and local codes, as applicable. The current state energy code is IECC 2015, which references ASHRAE 90.1-2016

Incentives

- Custom projects savings are individually calculated for each energy-efficiency measure (EEM) and then added to obtain the total savings for the project.
 Projected savings should contain adjustments for interactions among measures that would increase or decrease net savings.
- 2. The incentive is calculated at \$0.25/kWh for the first year of projected kWh savings, capped at 50% of total project cost (labor and materials). For New Construction and Major Renovation projects, incentives will be capped at 75% of incremental cost from baseline to installed equipment. Custom projects must pass the utility total resource cost (TRC) test.
- 3. Projects submitted under the Custom Program are eligible for the Custom Accuracy Bonus incentive.
 - The Custom Accuracy Bonus incentive increase of \$0.03/kWh saved raises the capped incentive amount from \$0.25/kWh to \$0.28/kWh saved.
 - For projects to receive the increased incentive, the final energy savings (kWh) calculated at project close-out must have a 15% variance, or less, of the original pre-approved energy savings (kWh).
 - The incentive will automatically be calculated and added to the final total amount at project close-out.
- Refer to the Terms and Conditions for additional information.

Submission Requirements

Projects must submit an application and Technical Analysis Study Report (TASR) or similar document and pertinent product specification sheets. Submissions will be reviewed and pre-approval provided if the project passes the program-specified payback and TRC tests.

Upon receipt of program pre-approval, the customer may begin project installation. Project completion is required within twelve (12) months, unless an extension request is submitted and approved thirty (30) days prior to pre-approval expiration. Project completion documentation is required within thirty (30) days pre-approval (or extension) expiration. A revised application and supporting technical analysis report are required if project has changed from original submission (project incentive may be revised based on as-built changes). Material and labor invoicing supporting project cost must be submitted.

Pepco Energy Savings for Business Program

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