

Multifamily Bulk Purchase

New Construction Measures – Existing Buildings Program



The Pepco Energy Savings for Business Program offers incentives to install bulk purchase ENERGY STAR® or CEE qualified appliances and equipment. To qualify as a bulk purchase, at least two of the same appliance must be purchased.

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

1. Be a multifamily building in Maryland served by Pepco as a commercial account with a master electric meter serving the entire building, including the dwelling units.
2. Be a multifamily building with six or more stories, or a four and five story building that does not qualify for the ENERGY STAR Low Rise Homes Program.
3. Be under a single construction meter while the builder/developer installs and provides final invoicing to the Program. If residential meters are energized prior to receipt of invoicing, the project will be ineligible for incentives.

NOTE: Non-master metered multifamily buildings will be pre-approved on a case-by-case basis.

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 > 60kW) or Small Business applications (if building's electrical demand is ≤ 60kW).

All projects require pre-approval.

You can contact your design engineer or equipment vendor to discuss energy efficient 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 in this Technical Sheet. Please contact the program office with any questions.

How to Apply:

1. The customer completes and submits the application via the online [Application Center](#). The Application Center Equipment Guide below illustrates how to enter equipment into the online application. Pre-approval is required before proceeding. The following supporting information must also be included with the application:
 - Completed and signed Terms and Conditions (T&Cs)
 - Manufacturer specification sheets
 - Current ENERGY STAR or CEE website product qualification screenshots for products (PDF), as applicable
2. 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.
3. The Program emails the project pre-approval to the customer and Service Provider. Equipment is then purchased and installed.
4. A copy of the customer-signed 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.
5. If the scope of work has changed, notify the Program 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.
7. The Program distributes the incentive check to the payee following final approval processing.

ELIGIBLE MEASURES

Measure	Incentive	Requirement
Refrigerator	\$100	ENERGY STAR/CEE Tier 1
	\$100	CEE Tier 2
	\$150	CEE Tier 3
Clothes Washer	\$75	CEE Tier 2
	\$100	CEE Tier 3
Clothes Dryers	\$50	ENERGY STAR
Heat Pump Water Heater	\$500	ENERGY STAR
Ductless Mini Split Heat Pump	\$250	≥ 18 SEER and ≥ 12.5 EER and ≥ 9 HSPF
Ductless Mini Split Heat Pump: Multi Zone	\$400	≥ 15.5 SEER and ≥ 12.5 EER and ≥ 8.6 HSPF

ELIGIBLE MEASURES (CONTINUED)

Measure	Incentive	Requirement
AHRI Rated Central AC Unit	\$300	≥ 16 SEER and ≥ 13 EER
	\$500	≥ 18 SEER and ≥ 13 EER
Air Source Heat Pump	\$400	≥ 16 SEER and ≥ 13 EER and ≥ 9 HSPF
	\$650	≥ 18 SEER and ≥ 13.5 EER and ≥ 9 HSPF
Geothermal Heat Pump (Closed Loop)	\$1,500	≥ 17.1 EER and ≥ 3.6 COP
Smart Thermostats	\$100	ENERGY STAR

APPLICATION CENTER EQUIPMENT GUIDE

Product Type	Category	Product
Multifamily	Bulk Purchase	Multifamily - Room AC
Multifamily	Bulk Purchase	Multifamily - Residential Refrigerator
Multifamily	Bulk Purchase	Multifamily - Residential Clothes Washer
Multifamily	Bulk Purchase	Multifamily - Heat Pump Water Heater
Multifamily	Bulk Purchase	Multifamily - Ductless Mini Split Heat Pump
Multifamily	Bulk Purchase	Multifamily - AHRI Rated Central AC Unit
Multifamily	Bulk Purchase	Multifamily - Air Source Heat Pump
Multifamily	Bulk Purchase	Multifamily - Geothermal Heat Pump
Multifamily	Bulk Purchase	Multifamily – Residential Dryers
Multifamily	Bulk Purchase	Multifamily – Smart Thermostats

TERMS AND CONDITIONS

1. **PROGRAM OFFER:** This application covers all New Construction Program standard and alternative projects that qualify for incentives. Each project requires pre-approval prior to the purchase of products or installation. The project must be installed and post-installation documentation received within twelve (12) months of the preapproval date. Pepco may cancel this application without liability if customer has (1) not installed the approved project, and has (2) not applied to Pepco for a project extension 30 days prior to pre-approval expiration date. **NOTE FOR ALL PROJECTS:** Customer must provide required post-installation documentation as described elsewhere in these Terms and Conditions. Incentive payment may be denied or reduced for the following reasons: (1) failure to request an extension, (2) failure to follow as-built guidelines, or (3) failure to provide required documentation.
2. **ELIGIBILITY:** Incentives are available to Pepco commercial, industrial, governmental, and institutional electric customers for the purchase and installation of Qualifying Energy Efficiency Measures (EEMs) (as defined in Paragraph 3, below) in the Pepco Maryland service territory, subject to these Terms and Conditions. Vacant/empty/non-operating facilities are not eligible for incentives. Re-upgrades, defined as the installation of new EEMs replacing EEMs installed and incentivized during the 36 month period following the original project, will be subject to a reduction in incentive based on the length of time remaining in the original 36 month project period.
3. **QUALIFYING EEMs:** EEMs identified in official program materials approved by Pepco. Technologies that purport to save energy through reduction of voltage or power conditioning are not eligible. EEMs that displace/replace electrical energy use with another fuel (fuel switching) are not eligible. Unless explicitly pre-approved, EEMs must be new and covered by warranties.
4. **OWNERSHIP OF CAPACITY AND/OR ENERGY/ENVIRONMENTAL SAVINGS CREDITS:** a) EEMs purchased and installed in part through incentives provided by this program are the property of the Customer, subject to any limitations contained within these Terms and Conditions. b) Notwithstanding the above, Pepco holds sole rights to any electric system capacity credits and energy or environmental credits that may be associated with EEMs for which incentives were received, and Pepco can dispose of these credits in any manner authorized by applicable law or regulation. c) In no event will activity associated with any energy or environmental credits noted in Section 4(b) result in interference with the Customer's ability to operate EEMs as approved in the Program incentive award.
5. **PROJECT APPROVAL:** a) Pre-approval from Pepco is required for all projects. b) Pepco reserves the right to pre-inspect any project. c) Pepco reserves the right to approve or disapprove any proposed EEMs in its sole reasonable discretion. d) No Project-related equipment may be ordered or installed prior to the date of Pepco's Pre-Approval.
6. **PROJECT VERIFICATION:** Pepco is not obligated to pay any pre-approved incentive awards until it has performed a satisfactory post-installation verification. If Pepco determines that EEMs were not installed in a manner consistent with the approved application, or if unapproved EEMs were installed, or if the installation was not consistent with generally accepted engineering practices, changes may be required before payment is issued. Pepco will not make payment until it has verified that the Customer has received, as appropriate, final drawings, operation and maintenance manuals, and operator training, and is substantially satisfied with the installation of eligible equipment.
7. **INDEPENDENT TESTING:** Pepco reserves the right to deny incentives for any EEMs or equipment that have not been favorably assessed or approved by recognized, independent authorities, such as the Underwriter's Laboratory (UL) or Intertek ETL.
8. **INCENTIVE AMOUNTS:** All incentive payments will also be subject to the following limitations: a) Each Pepco electric account is limited to \$1,000,000 in incentives per program year (including all incentive applications received in the program year) b) Pepco reserves the right to deny any incentive application that may result in Pepco exceeding its program budget. Cash incentives under the programs are offered on a first-come, first-served basis and are subject to project and Customer eligibility and availability of funds.
9. **EEM COSTS:** The Customer must provide copies of all invoices or other reasonable documentation that verify the costs of purchasing and installing the EEMs, including all materials, labor, and equipment discounts. Invoices must indicate a verifiable breakout of all EEMs purchased for installation under this Application.
10. **SCHEDULE FOR INCENTIVE PAYMENTS:** a) Pepco expects to pay all incentives within 8 weeks after project completion. Project completion requires: (1) submission to Pepco of all documentation; (2) completed installation of the approved EEMs; and (3) Pepco verification and acceptance of (1) and (2) above, all in accordance with the specifications outlined elsewhere in these Terms and Conditions. b) Pepco reserves the right to perform a post-installation inspection of equipment for which an incentive has been applied for, as part of its verification process. c) Pepco reserves the right to apply cash incentives to any of the Customer's unpaid or overdue accounts, whether in DC or Maryland.
11. **MONITORING AND EVALUATION FOLLOW UP VISITS:** Pepco reserves the right to make follow up visits to Customer's facility during the 36 months following the actual completion date of the project at a time convenient to the Customer, and with at least one-week advance notice. The purpose of the visit(s) is to review the operation of the EEMs for program evaluation purposes, including monitoring their energy performance. The scope of review is limited to determining whether program conditions have been met. The Customer must allow access to the EEMs and related project documentation. Pepco has the right to a refund for incentives paid if, at any time, it learns that the EEMs were not actually and properly installed or were subsequently disconnected within 36 months after installation.
12. **CHANGES-TO / CANCELLATION OF THE PROGRAM:** a) Pepco may change the program requirements, incentives, or Terms & Conditions at any time without notice, including suspending acceptance of applications or terminating the program. b) In the event of program change, pre-approved applications will be processed to completion under the Terms & Conditions in effect at the time of pre-approval by Pepco. c) Submission of a completed application does not entitle the Customer to program participation.
13. **PUBLICITY OF CUSTOMER PARTICIPATION:** Pepco reserves the right to publicize a Customer's participation in the program, including information such as: projected project energy savings, the incentive amount, and other information that does not compromise reasonable Customer expectations of confidentiality of proprietary or competitive information. In such instances, Pepco will obtain Customer permission to make such information public.
14. **LIMITATION OF LIABILITY AND INDEMNIFICATION:** a) Pepco, its officers, directors, employees, affiliates, contractors and agents shall not be liable to the Customer for any direct, special, indirect, consequential or incidental damages or for any damages in tort (including negligence) caused by any activities associated with this program and Customer's participation therein. By participating in this Pepco program, Customer agrees to waive any and all claims, whether arising in contract or tort and to fully release Pepco, its officers, directors, employees, affiliates, contractors and agents from any and all damages, of any kind. b) The Customer shall protect, indemnify, and hold harmless Pepco, its officers, directors, employees, affiliates, contractors and agents from and against all liabilities, losses, claims, damages, judgments, penalties, causes of action, costs and expenses (including, without limitation, attorney's fees and expenses) incurred by or assessed against Pepco or its agents arising out of or relating to the performance of this Application, whether arising in contract or tort, whether arising in contract or tort.
15. **NO WARRANTIES:** a) NEITHER PEPSCO, NOR ITS OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, CONTRACTORS NOR AGENTS ENDORSE, GUARANTEE, OR WARRANT ANY PARTICULAR MANUFACTURER, PRODUCT, CONTRACTOR, SERVICE PROVIDER OR VENDOR, NOR DO ANY OF THE FOREGOING PROVIDE ANY WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PRODUCT OR SERVICE. PEPSCO, ITS OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, CONTRACTORS AND AGENTS ARE NOT LIABLE OR RESPONSIBLE FOR ANY ACT OR OMISSION OF ANY CONTRACTOR HIRED BY THE CUSTOMER (IF ANY) WHETHER OR NOT SAID CONTRACTOR IS A PARTICIPATING PEPSCO "SERVICE PROVIDER." THE CUSTOMER'S RELIANCE ON WARRANTIES IS LIMITED TO ANY WARRANTIES THAT MAY BE PROVIDED BY ITS CONTRACTOR, VENDOR, MANUFACTURER, ETC. b) NEITHER PEPSCO NOR ITS OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, CONTRACTORS OR AGENTS ARE RESPONSIBLE FOR ASSURING THAT THE DESIGN, ENGINEERING AND CONSTRUCTION OF THE FACILITY OR INSTALLATION OF THE EEMS IS PROPER OR COMPLIES WITH ANY PARTICULAR LAWS, REGULATIONS, CODES, OR INDUSTRY STANDARDS. NEITHER PEPSCO NOR ITS OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, CONTRACTORS, OR AGENTS MAKE, AND ARE NOT AUTHORIZED TO MAKE, ANY REPRESENTATIONS OF ANY KIND REGARDING THE RESULTS TO BE ACHIEVED BY THE EEMS OR THE ADEQUACY OR SAFETY OF SUCH MEASURES.

TERMS AND CONDITIONS (CONTINUED)

16. **CUSTOMER TAX OBLIGATION:** The Customer is responsible for declaring and paying any and all applicable federal, state, and local taxes that may be owed on any Program incentive payment.

17. **VENDOR SELECTION:** The Customer may select any vendor or contractor to perform the work contemplated by this Application, whether a Pepco "Service Provider" or not. However, Pepco reserves the right, in its sole reasonable discretion, to prohibit specific vendors or contractors from program participation.

18. The Customer agrees, as a condition of participation in the program, to allow the Contractor/Service Provider to remove and dispose of the equipment being replaced by the EEMs in accordance with all applicable laws, regulations and codes. The equipment cannot be reinstalled anywhere in the State of Maryland, or transferred to any other party for such installation. Customer is responsible for ensuring all applicable permits and licenses are obtained to effect the removal and installation of equipment.

19. **MISCELLANEOUS:** a) The agreement between the Customer and Pepco is composed of all applicable program forms, supporting documentation, and these Terms and Conditions. b) The Customer acknowledges that the only individuals authorized to bind Pepco under the Pepco program are Pepco staff and authorized agents of Pepco. c) If any provision of the Terms and Conditions is deemed invalid by any court or administrative body having jurisdiction, such ruling shall not invalidate any other provision, and the remaining Terms and Conditions shall remain in full force and effect in accordance with their terms. d) Resolution of disputes concerning these Terms and Conditions, or any other requirement of this Application or condition of incentive award, shall be governed in all respects by the laws of the jurisdiction in which the customer is located. e) In the event of a dispute between the parties which cannot be informally resolved, the following procedure shall apply. (1) **NOTICE OF DISPUTE.** A party shall deliver a written notice ("Dispute Notice") to the other describing the nature and substance of any Dispute and proposing a resolution of the Dispute. (2) **MANAGEMENT NEGOTIATION.** During the first thirty (30) days following the delivery of the Dispute Notice (and during any extension agreed to by the Parties, the "Negotiation Period") an authorized manager of Customer (the "Customer's Manager") and an authorized manager of Pepco ("Pepco's Manager") shall attempt in good faith to resolve the Dispute through negotiations. If such negotiations result in an agreement in principle among such negotiators to settle the Dispute, they shall cause a written settlement agreement to be prepared, signed and dated (a "Management Settlement"), whereupon the Dispute shall be deemed settled, and not subject to further dispute resolution. (3) **ALTERNATIVE DISPUTE RESOLUTION.** (i) Customer and Pepco (1) acknowledge that it is in their best interests to resolve any dispute, claim or controversy arising out of or relating to this engagement letter (any such dispute, claim or controversy, a "Dispute"), in accordance with the dispute resolution procedures set forth herein and (2) agree to use their best efforts so to resolve any such Dispute. Without limitation, such efforts shall include mandatory submission of a Dispute to non-binding mediation. Should such Dispute not be resolved within 90 days after the issuance by one of the parties of a written Request for Mediation (or such longer period as the parties may agree), Pepco and Customer may seek other legal recourse. (ii) Notwithstanding the above, either party may seek injunctive relief to enforce its rights with respect to the use or protection of (1) its confidential or proprietary information or material or (2) its names, trademarks, service marks or logos, in a court of competent jurisdiction in which the customer is located. The parties consent to the personal jurisdiction thereof and to sole venue therein only for such purposes. f) **PEPCO AND CUSTOMER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT EITHER SUCH PARTY MAY HAVE TO A TRIAL BY JURY OR TO INITIATE OR BECOME A PARTY TO ANY CLASS ACTION CLAIMS IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS APPLICATION OR THE TRANSACTIONS CONTEMPLATED BY THIS APPLICATION.**

20. **CUSTOM AND ALTERNATIVE MEASURES - INCENTIVE CALCULATIONS:** Incentives are available for projects with simple payback periods of 1.5 years or greater, before an incentive is applied. The incentive is calculated up to \$0.28 per kWh for the first year of projected kWh savings and limited to 75% of incremental costs. The incentive calculated above may be adjusted so that it does not "buy-down" the payback on your project to less than 1.5 years. A Maryland Public Service Commission specified "Total Resource Cost" test is then used to verify the value of paying an incentive on your project. These calculations are automatically figured in the application workbook.

Pepco Energy Savings for Business Program

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