2020

Normalized Metered Energy Consumption Offering

Procedures Manual

Version 1.0

Program Administrator:

Southern California Edison Company

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1.0 INTRODUCTION

Southern California Edison Company (**SCE**) has designed a site-level Normalized Meter Energy Consumption (**NMEC**) offering for qualifying non-residential commercial customers. The NMEC measure is offered through the Commercial Calculated Energy Efficiency (**EE**) Program (aka the Customized Retrofit Program). What makes NMEC different from other Calculated EE offerings is:

- The offering is designed as a comprehensive, multi-measure and multi-systems, whole building retrofit approach. NMEC requires participating projects to include at least two different measures involving two different project systems.
- Energy savings are determined using a customer's existing baseline (kWh and kW) with no DEER[1] baseline or Industry Standard Practice requirements.
- Savings are based on what the customer and meter see using at least 12 months of available metered data.
- Incentives are based on actual performance and paid after the first 12 months of energy usage following installation and commissioning.

The NMEC offering is funded by utility customers through the Procurement Energy Efficiency Balancing Account (**PEEBA**). The offering is effective until funding is exhausted, or the Program is discontinued by SCE or the California Public Utilities Commission (**CPUC**).

The information regarding the NMEC offering in this procedures manual is supplemental to the information in the Customized Program Document. NMEC follows the policies and procedures in that document, unless otherwise identified.

Changes to incentives and policies may occur during this cycle without prior notice. If such a change occurs, a new version of this procedures manual will be issued and will supersede all previous versions. Updated manuals may include changes to measures (including discontinuation), effective dates, and terms and conditions.

2.0 ELIGIBILITY FOR PARTICIPATION

NMEC is open to **commercial** customers who receive SCE electricity distribution services and pay into the Public Purpose Program (**PPP**) surcharge.

[1] The CPUC's Database for Energy Efficient Resources.

2.1 PURPOSE OF THE NMEC OFFERING

NMEC is an enhanced approach to determining energy savings under the Commercial Calculated program. NMEC is designed to align with the intent of Assembly Bill (AB) 802. Specifically:

> "Those programs shall include energy usage reductions resulting from the adoption of a measure or installation of equipment required for modifications to existing buildings to bring them into conformity with, or exceed, the requirements of Title 24 of the California Code of Regulations, as well as operational, behavioral, and retro-commissioning (BRO) activities…."

SCE will promote a whole-building energy efficiency approach which encourages customers to implement comprehensive multi-measure projects for reducing the energy consumption of their facilities.

3.0 PROJECT ELIGIBILITY

NMEC is open to commercial customers with projects meeting the following requirements to participate:

- The customer must pay the Public Purpose Program (PPP) surcharge on the electric meter in which the energy-efficient equipment is being proposed.
- The energy efficiency project will reduce at least 100,000 kWh and at least 10% of the customer's metered annual electrical usage at the project site and a $12,000 minimum incentive.
- The energy efficiency project encompasses at least two systems (for example: Lighting and HVAC).
- The customer provides pre- and post-installation metered energy use data through the SCE electric meter (or by using qualified submetering or an energy management system pre-approved by SCE).
- SCE must be notified of any major operational or equipment modifications outside of the project's scope that will affect the energy usage, during project implementation as well as during the pre- and post-metered periods.
- If the project site has on-site generation, that is, it has solar, thermal energy storage, or battery storage systems, it must have the appropriate metering so the generation portion of energy savings can be set apart in the calculations.
- If an on-site generation or energy storage system is planned to provide service to the project site, SCE must be notified before it is installed. Submetering may be required to isolate the generation and storage impacts.
    - The customer must agree to:

- Provide all required documentation, and
- Provide access to the facility for project-related audits, inspection or data gathering by SCE or by the CPUC.

For complete details of customer eligibility requirements, see the Statewide Custom Project Guidance Document 2020 at https://www.sceonlineapp.com/DocCounter.aspx?did=955

4.0 QUALIFYING ENERGY EFFICIENCY MEASURES

The NMEC offering accepts a wide variety of energy savings opportunities for commercial projects. The following describes acceptable measure categories:

1. **Equipment Retrofits, Weatherization, and Add-On Equipment**

2. **BRO (Behavioral, Retro-Commissioning and Operational) Measures**

   a. **Behavioral:** Measures designed to influence customer behavior without installation of equipment (such as energy audits, home energy reports, etc.)

   b. **Retrocommissioning (RCx)**: Measures designed to employ a systematic process for identifying and implementing operational and maintenance improvements in a building, to ensure continued good performance over time.

      - These measures typically involve tuning of building control systems and replacement of minor components such as sensors.
      - Replacement of major components such as chillers or package units would be categorized as a different installation type.

   c. **Operational:** Measures designed to ensure long-term business practices to maintain efficiency (such as establishing and following regular maintenance schedules).

The measures must comply with these requirements:

1. **Must Operate at Least Five Years.** Measures that will not provide SCE with 100% of the related energy benefits for at least five (5) years from receipt of incentive are generally ineligible. SCE, at its sole discretion, may allow selected measures with less than five years of operation.

2. **Must Be Permanently Installed.** Measures that are not permanently installed or that can be easily removed, as determined by SCE, are generally ineligible for incentives.

3. **BRO measures must be supported by a three-year maintenance plan.** The plan must be designed to support the sustainability of the energy savings from the measures, and must be provided to SCE.

4. **The EE project cannot overlap with other incentive programs.** The customer may not:

   - Apply to more than one California energy efficiency incentive or rebate program for the associated electric savings for the same measure, or
   - Receive incentives from more than one such program for any measure.

   Other California end-user energy efficiency programs include, but are not limited to, any program offered by or through:

   - Any CPUC-approved Program Administrator, or
   - The California Energy Commission (**CEC**), or
   - The CPUC. This includes PPP-funded local programs, third-party programs, Regional Energy Networks (**RENs**), Community Choice Aggregators (**CCAs**), local government partnerships, or upstream and midstream programs, which provide incentives to manufacturers and distributors.

   Contact SCE for additional details at 1-800-736-4777.

5. **Existing Equipment Must Be Decommissioned and Removed.** Existing equipment must be decommissioned and removed from site before final Project Review. Decommissioned equipment cannot be reused, resold, or retained for backup purposes without the pre-approval of SCE, in which case additional documentation or verification may be required.

5.0 PROCEDURES

5.1 ROLES

The SCE NMEC Offering involves the following key parties:

- **Customer:** An eligible ratepayer that receives service from SCE and pays into the Public Purpose Program (PPP) surcharge. Also referred to as the Project Sponsor.
- **Program Manager (PM):** The SCE PM manages the implementation of and is responsible for the operations of the program.
- **SCE Representative:** The SCE Representative may be any authorized SCE staff member assisting customers in the development of NMEC projects. These resources include account managers, field engineers, technical specialists, technical reviewers, and resources from SCE's Center of Expertise (**COE**).

- **NMEC Implementer:** Project development support may be provided by SCE Representatives, Trade Professionals, and/or a customer-assigned third-party vendor.

  Support activities may include, but are not limited to:

  - Identifying and screening projects
  - Identifying program offerings and energy savings opportunities that will provide the most benefit to the customer
  - Ensuring that all required project documentation is submitted correctly and assisting the customer in responding to any concerns in the project review, and
  - Performing all steps required to help the customer determine that a project will meet all requirements and provide the expected energy savings results.

- **Technical Reviewer -** SCE may assign this role to an SCE Representative or to an authorized third-party Technical Reviewer. The technical reviewer will perform project documentation and calculation evaluations, including:

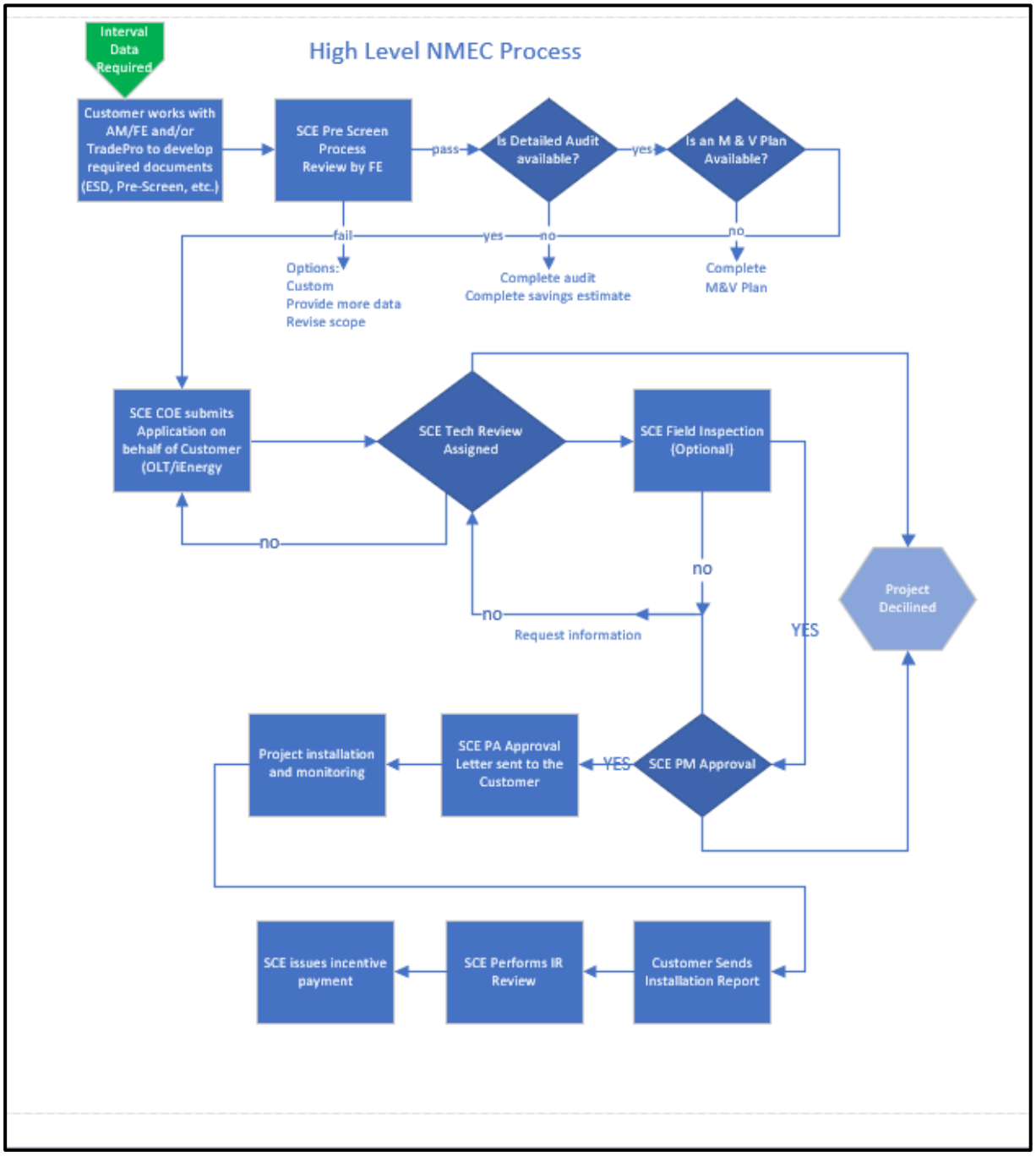
  - Pre-installation meter data and analysis for reasonableness and accuracy
  - The Project Feasibility Study (**PFS**), Installation Report(s) (**IR**), project costs, and other project documentation to ensure project(s) meet all requirements
  - EE savings calculations
  - The measurement & verification (**M&V**) plan, pre-trending data and regression model, and
  - Verify post-installation meter data and analysis as reasonable and acceptable to determine energy savings and incentive results.

- **Trade Professional (TradePro):** A provider of energy management products and services who formally agrees to an SCE program's participation guidelines by submitting a completed, signed Trade Professional Participation Agreement Form, and complete all SCE required training as organized and directed at SCE's discretion

  When designated by an SCE customer, a Trade Pro may act on behalf of and may submit rebate and incentive applications for that customer. (Formerly "Customer's Authorized Agent.")

6.0 NMEC OFFER PROCESS

The NMEC offering generally follows the same process steps and requirements as the overall Customized Retrofit Program. The following chart maps the high-level process flow which an NMEC project will follow.



6.1 EARLY SCREENING PHASE

The purpose of the early screening process is to confirm that the customer's project scope and supporting metered energy data analysis meet the program's guidelines and requirements. Early identification enables the customer and project Implementer to adjust their project application before investing a significant level of time and/or expense.

6.1.1 THE EARLY SCREENING DOCUMENT (ESD)

The ESD is developed to identify the potential measures for the project, and assess the eligibility of these measures according to the program rules.

Important initial requirements to be identified in the ESD include:

- Projects must include at least two (2) building systems and at least two (2) distinct measures, and
- If BRO measures are being considered, they must be identified.

*See **Attachment A**.*

6.1.2 THE PRE-SCREEN REPORT (PSR)

The purpose of the PSR is to document the findings of the pre-screening analysis for the potential NMEC project. Metered energy use data plays a key role in determining the project's energy savings, and for this reason, the PSR includes information related to:

- The accuracy of the electric meter being used for the project (refer to *Section 6.1.3, Metered Data Requirement*)
- The time period of the metered data (12 months of pre-installation data)
- The identification of the weather data station used
- The summary descriptions of the statistical models developed, and
- A summary table of the key "goodness-of-fit" (refer to *Section 6.1.7, Page 11*) and accuracy metrics for the models.

6.1.3 METERED DATA REQUIREMENT

NMEC requires the collection of metered energy use data for the building(s) where energy-efficient equipment will be installed, or operational changes will be implemented.

NMEC project data must be collected for 12 months before implementation and up to 12 months post-implementation (and an additional 12 months of metering will be required if BRO measures are part of the project). Weather and other data

correlated with energy usage will also be collected to normalize energy consumption data.

Customers that use their own meters (non-SCE meters upon utility pre-approval) for energy baselines and savings estimation must submit the manufacturer's specifications for the meter(s) and the recommended installation and calibration procedures. Customers are also required to submit calibration records.

For additional information regarding meter accuracy standards, refer to the "CPUC Rulebook for Programs and Projects Based on Normalized Metered Energy Consumption".

6.1.4 PRELIMINARY MEASURE LIST AND SAVINGS REQUIREMENTS

The purpose of this requirement is to ensure that the customer understands that they must propose a portfolio of EE measures that will achieve the minimum energy savings required by the program.

The list of measures must:

- Demonstrate energy savings of at least 100,000 kWh (which equals a minimum incentive of $12,000), and a reduction of at least 10% of total annual usage for the project's building, and
- Involve two different building systems (HVAC, lighting, building envelope, etc.)

Fuel substitution measures should be addressed through other calculated program measures.

Additional examples of applicable retrofit and BRO measures can be found in the Statewide Custom Project Guidance Document at this web link:

https://www.sceonlineapp.com/DocCounter.aspx?did=958.

6.1.5 PROJECT FEASIBILITY STUDY REPORT (PFS)

The PFS must provide recommendations that are explicit enough for the customer's internal personnel or their contractors to understand the scope of work, and should include the following elements:

- Project Development Calculations
- Building Investigation Report
- Thorough descriptions of required and recommended measures along with the implementation approach to be used
- Estimated energy savings
- Payback calculations

- Project influence approach and documentation (if available)
- Estimated costs from contractor(s) for the selected measures
- Measurement and Verification plan, and
- The Project Audit Report.

The Project Implementer estimates the energy savings for each measure using one of the allowable calculation methods, which may include custom spreadsheet calculations or building simulation models. Interactive savings should be included in the energy savings calculations.

*See **Attachment B***

For additional PFS requirements, refer to Statewide Custom Project Guidance Document 2020, Section 3.2, page 20 at this web link:

https://www.sceonlineapp.com/DocCounter.aspx?did=958.

6.1.6 PROJECT DEVELOPMENT CALCULATIONS

The project calculations are essential to assess the viability of the project. They serve as an important guide to analyze metered data and to ensure that the project's energy use is within acceptable tolerance levels towards the projected energy savings.

6.1.7 GOODNESS OF FIT

In order to determine if the metered energy data is within an acceptable level of expectation, the CPUC Rulebook requires NMEC metered data to be assessed according to the statistical standard of "Goodness of Fit."

The Goodness of Fit source is the *CPUC Rulebook for Programs and Projects Based on Normalized Metered Energy Consumption,* Version 2.0, Release Date January 7, 2020, Page 15.

7.0 PROJECT SUBMITTAL AND TECHNICAL REVIEW

The customer and/or their TradePro will develop a Pre-Installation Package (PIP) and include the following documents:

a. Early Screening Document (ESD).
b. Project Feasibility Study (includes site audit report, payback analysis, and EUL Calculations).
c. Final M&V Plan. (**Attachment C**)
d. Pre-trending Metered Data and Regression Model.

e. And, if BRO measures were implemented, a Three-year Maintenance Plan.

Note 1: *A three-year maintenance plan is required to ensure the persistence of BRO measures during this period. Maintenance plans will be reviewed and must be approved by SCE to ensure their adequacy.*

Note 2: *Projects should follow the specific rules outlined in the Statewide Custom Project Guidance Document chapter.*

On receipt of the Pre-Installation Package submittal, the SCE Representative will fill out the online program application form.

An assigned SCE or third-party Technical Reviewer will then review the documents to verify that the information submitted is complete and the estimated savings are within acceptable levels. This will include review of the updated baseline analysis and report, to verify that the baseline model developed from the monitoring efforts follows standard statistical practices.

At SCE's discretion, a pre-inspection may be performed to verify existing project site conditions.

Upon review of the document, SCE or the assigned Technical Reviewer will recommend the package for either:

1. **Approval,** or
2. **Resubmittal** (if additional documentation needs to be submitted or if certain documentation needs corrections or modifications; once the modifications are made, the package may be resubmitted), or
3. **Project Declined** (the project does not fulfill NMEC offering requirements).

Note: *The customer must wait to receive the Project Approval Letter before ordering or installing project measures. The Project Approval Letter serves as the official notice to the customer to proceed with implementation and confirms the reservation of incentive funds which will be paid, if the project meets all program requirements.*

7.1 PROJECT APPROVAL

Upon receiving approval from SCE in the form of a Project Approval Letter, the customer may begin the Implementation phase of the project: that is, the customer may order and implement and/or install the approved measures, using qualified, and in some cases certified, in-house staff or contractors.

The Project Implementer will support the customer by reviewing bids and by responding to questions, and in the case of a TradePro, may provide additional

technical or project management support under a separate support contract with the customer.

The Project Implementer should also support the implementation process through regular check-ins with SCE Account Reps.

- **The influence narrative** should describe what influenced the customer to agree to implementing the energy efficient measures. It should also identify what documentation will be retained to support the influence strategic approach. Documentation examples include meeting notes, customer business requirement documents (simple payback, ROI thresholds being met or exceeded), and other documents showing what barriers were overcome to move the project forward.
- Customers should plan on **documenting all associated project costs** through invoices, receipts, internal hour logs, and/or internal work orders, as appropriate.
- The **total project costs** amount will be used to cap the amount of financial incentives a customer may be eligible to receive over the course of the program. SCE financial incentives are capped at 50% of gross measure costs (**GMC**).
- Customers participating in the NMEC offer will be required to fully review and execute the **Terms and Conditions,** which stipulate that:
    - Incentives are paid based solely on meter-measured results, and
    - Customers are obligated to notify SCE of any Non-Routine Building Events, and
    - Customers must continue to share building-level data during the life of the project.

7.2 Notice of Potential Building Use Change: Non-Routine Events Reporting

The following applies to the entire life of the project, from the beginning of pre-installation to the end of the post-installation meter measurement periods.

Customers shall be responsible for notifying SCE of any NRE — that is, any change in the building equipment or use that may have an impact on energy usage. This includes both permanent changes and semi-permanent changes (those lasting more than a week). In cases where the building, or building use, has changed, customers are required to contact SCE immediately and to provide a detailed narrative that:

- Describes the change and its impact on energy usage
- Identifies the date the change occurred and expected length
- Describes the systems that are likely to be impacted by the change, and

- If changing (either adding or subtracting) equipment, note the load (kW) of the existing equipment and the new equipment, as appropriate.

  It is the customer's responsibility to document these changes and provide the documentation to SCE, as it is critical to adjusting and/or normalizing baselines for any NRE.

  Examples of NREs include, but are not necessarily limited to:

- Changes to building size (major renovation or the addition of square footage)
- Addition of heating and cooling loads in buildings
- Addition of load such as computers or data processing equipment
- Addition of substantial plug loads
- Longer or shorter operating hours, or material schedule changes
- Increases or decreases in building occupancy, and
- Changes in building usage, such as converting lab space to office space.

  The Project Implementer will assess the impact on the project, develop appropriate corrections to the revised baseline model and their impact on the project's energy savings, and provide the assessment to SCE for review. Any NRE adjustments, and related calculations, will be made available for review by the customer and by CPUC staff.

7.3 When the Project Is Complete

The Project Implementer assists the customer in submitting a Savings Report (SR). The report should identify that the project has been fully completed and marks the beginning of the post-installation metering to determine the project's final energy savings. This report must occur after all project measures have been fully installed, fully commissioned, and are fully operational.

7.4 Submitting the Installation Report (IR)

The IR submittal will include at a minimum:

a. Cost documentation.
b. Twelve months of post-trending data.
c. Regression models.
d. A summary of the measures that were installed or actions taken.
e. Pre-trending and normalization regressions with explanations of any changes in approach.
f. Any additional supporting data or documents requested in the

approved M&V plan or the PFS.

For any project that includes BRO measures, a three-Year Maintenance Plan, which must be implemented by a customer's internal resources or through a contracted third party, is required. The maintenance plan must be submitted to SCE at this time and include a description of primary maintenance activities.

For additional details, refer to the Southern California Edison Behavioral, Retrocommissioning, and Operational Efficiency Program Guidelines available at

https://www.sceonlineapp.com/DocCounter.aspx?did=737.

7.5 PROJECT COST DOCUMENTATION

Complete and accurate project cost documentation must be collected and submitted with the Installation Report package. The total amount of project cost will be used to calculate the maximum allowable amount of financial incentives a customer may be eligible to receive.

- Allowable measure costs may include audits, design, engineering, construction, equipment, materials, removal, recycling, overhead, tax, shipping, and labor. Labor costs can be contractor or in-house, if proof of direct project hours and costs are provided.
- A cost basis — the Incremental Measure Cost (IMC)[2] — must be submitted for each individual measure within a project. Eligible costs within that cost basis are only those costs directly related to the installation of the EE measure.
- Costs unrelated to the EE measure should not be included within reported costs.
- Ineligible costs include spare parts and maintenance supplies, maintenance contract costs, standby and/or backup equipment, and equipment that does not directly contribute to realization of energy savings.

Table 3, below, outlines the categories for project cost and the allowable costs that should be represented.

Table 3: Allowable Costs List

Cost Category	Allowable Costs
EE Equipment	Energy Efficiency equipment, directly supporting materials, shipping, and tax

[2] Incremental Measure Cost (IMC) is the marginal cost of implementing an EE measure, that is, how much more expensive the EE measure is compared to a similar, industry-standard measure, as defined by the Program Administrator. For the NMEC Offering, IMC = Energy-Efficient System Measure Cost minus Originally Designed System Costs.

Engineering	Audits, design, and engineering
Construction	Construction and associated labor and overhead
Disposal	Demolition, removal, and recycling
Permitting	Permit preparation and fees

7.6 PROJECT INSTALLATION REVIEW

An assigned SCE or third-party Technical Reviewer will review the Project Installation documentation package to verify that the information submitted is complete and confirm the savings determination by reviewing the regression analysis and the IR:

- A post-inspection to verify measure installation may be required, at the determination of the Technical Reviewer.
- The Technical Reviewer will verify that the baseline model developed from the monitoring efforts follows standard statistical practices.
- The project cost documentation will be reviewed and judged for reasonableness for the installed measures.

When the review of the package is complete, the Technical Reviewer will either recommend approval of the incentive, create a Needs Requirement Document to request more information or clarification, or may recommend declining to pay the incentive.

7.7 INCENTIVE PAYMENT

As mentioned in ***§7.1,*** above, the incentive cap is 50% of documented Gross Measure Cost (GMC) for the project. Customer incentive payments will be tied to the project's normalized annual kWh and kW energy savings as measured through metered data. The total amount of this performance-based incentive will ultimately depend on the annual kWh and kW savings achieved, as measured according to the approved M&V Plan.

- Approved NMEC projects will qualify for a financial incentive. The initial incentive amount will be calculated using best available information to estimate the potential energy savings of the project.
- The incentive rates for kWh and kW, listed in the table below, will be used to identify the potential incentive amount for the project.
- The final incentive amount will be based on the approved 12 months of post-installation normalized metered data energy savings analysis for the project.

- Projects with BRO measures will require an additional 12 months of SCE approved post-installation normalized metered data.

Table 4: Commercial NMEC Incentives

2020 NMEC Incentives	
Category	**Incentive**
Whole Building	$0.12 / kWh $150.00 / kW

7.8 On-Bill Financing

Approved NMEC projects may also qualify to receive an On-Bill Financing loan (see the table below). The loan amount is calculated based on estimated energy savings. The loan funding will be available after the installation and operation of the measures have been inspected and approved by SCE.

Table 5: On-Bill Financing Funding

2020 On Bill Financing Funding	
Commercial Calculated Program and NMEC projects are eligible for OBF financing. Loans over $250,000 will be funded without incentives. Please visit sce.com/onbill for additional OBF program information.	
NMEC – Whole Building	OBF loans will be funded after SCE receives the inspection approval and SCE issues an installation notification. Loan calculation is based on projected energy savings.

The customer may not receive an incentive for the electric energy savings from any other program funded through the Public Purpose Program charge on customer bills. Gas efficiency measures are not included in this program.

7.9 Incentive Payment Disbursement

SCE will calculate the incentive payment based on its review and approval of the submitted paperwork and site inspection. SCE will notify the Project Sponsor in writing of the final approved incentive payment amount upon approval of the Installation Report and will begin processing the incentive payment. If the Project Sponsor disputes the findings of the review, he or she should notify SCE as soon as possible.

Once processed, SCE will mail the incentive check to the Payee designated on the PFS.

8.0 NMEC CUSTOMER GUIDELINES, RECOMMENDED IMPLEMENTER QUALIFICATIONS AND NMEC IMPLEMENTER PARTICIPATION REQUIREMENTS

8.1 NMEC CUSTOMER GUIDELINES & RECOMMENDED NMEC IMPLEMENTER QUALIFICATIONS

The NMEC offering requires certain technical knowledge beyond the typical scope of a Customized retrofit project and for this reason, SCE offers these tips for customers when selecting an implementer to ensure that the NMEC Implementer has the proper technical skills to comply with the NMEC offering's policies and procedures.

Please note, these recommendations are provided for information only, and SCE does not make any warranty or representation about any Implementer's specific qualifications or ability to perform the work. You are solely responsible for selecting a qualified contractor, and any action you take upon the information provided is strictly at your own risk, and SCE will not be liable for any losses or damages in connection therewith.

NMEC Implementers should assign personnel to the NMEC project that meet at least one or more criteria from each category:

Category 1: Training/Certifications

- Certified Measurement and Verification Professional (CMVP) – Certification from the Association of Energy Engineers (AEE).
- Energy Management Professional (EMP) – Certification from the Energy Management Association (EMA).
- Building Energy Assessment Professional (BEAP) – Certification from ASHRAE.

Category 2: Previous NMEC Project Experience

- Experience working with ASHRAE Guideline 14 and the Lawrence Berkeley National Laboratory (LBNL) *Site-Level NMEC Technical Guidance: Program M&V Plans Utilizing Normalized Metered Energy Consumption Savings Estimation*.
- A working knowledge of the types of projects that would be appropriate for the SCE NMEC offering and an understanding of the other SCE programs that may be a better approach.

- A working knowledge of the modeling and statistical tools required to determine normalized energy savings.
- A working knowledge of non-routine events and how to adjust for these events.
- Experience with whole building energy savings projects or NMEC is preferred.

Category 3: Previous Energy Savings Estimation Experience

Knowledge of one of the following savings methodologies:

- Energy Savings Projects using International Performance Measurement and Verification Protocol (IPMVP) Option C (Approved methodology for CPUC NMEC offerings).
- Energy Audit (compliant with American Society of Heating Refrigeration and Air Conditioning Engineers (ASHRAE) - Level 2).
- Advanced Metering Infrastructure (AMI) Data Analysis.
- International Organization for Standards (ISO) 50001 Certification.

8.2 NMEC Implementer Participation Requirements

In order for the Implementer to participate on SCE's NMEC projects, the Implementer must meet the following criteria:

- **Be a current SCE Trade Professional Program Participant in good standing:** This mandatory requirement entails completion of a Trade Professional Participation Agreement and completion of existing Basic and Advanced SchooX online training courses.
- Successful completion of **SCE's NMEC WebEx training conferences** as scheduled by SCE (available after NMEC launch in early May 2020).
- Successful completion of **SCE's online advanced training NMEC Modules** (available on SchooX after NMEC launch in early May 2020)
- Any additional requirements communicated by SCE, if additional training(s) or requirements are determined to be necessary for the Commercial NMEC offering.

9.0 Terms and Conditions

By virtue of participation in the program, Customers, Project Sponsors, and Authorized Agents agree to the following terms and conditions. Additional terms and conditions apply, as set forth in the specific program terms and conditions and otherwise.

1. All parties consent to participate in any evaluation of the program. The CPUC or its representatives may contact participants to answer questions regarding their IOU Customized Offering experience and/or request a site visit. All participants agree to comply with such program evaluations.
2. SCE expressly reserves its rights, which include, but are not limited to, the right to use others to perform or supply work of the type covered by the NMEC Offering, as well as the unrestricted right to contract with others to perform the work or to perform any such work themselves. SCE may employ third-party engineering firms to conduct site inspections, review calculations, and make recommendations for project status. The information reviewed is considered confidential and is not shared with any party outside SCE, SCE assigned contractors and the CPUC as requested.

9.1 Notice of Public Record

Projects are subject to the approval of the CPUC, which may require the Utility to submit information about its Projects, including but not limited to technical specifications, energy flow diagrams, completed program forms, savings calculations, project invoices, customer identifiable information, etc., for CPUC review.

Utility Program Administrators may be required to share Project information with each other and with the CPUC to ensure IOU consistency and eligibility. Customers participating in the Utility's energy efficiency incentive programs agree that Utility may provide its confidential information to the CPUC and other Utility Program Administrators.

Customer Information and Trade Secrets that you, the Customer, advise the Utility to treat as Confidential Information will be identified and marked according to the CPUC's confidentiality rules to notify the CPUC that the Confidential Information should not be disclosed, including under the California Public Records Act. Utility Program Administrators shall not be responsible for the disclosure of Confidential Information by the CPUC.

No Project Sponsor, Customer, Authorized Agent, or other Project participant may assert any claim against the Utility as a result of its disclosure of Confidential Information to the CPUC.

9.2 Workforce Requirements

The California Public Utilities Commission (CPUC) issued Decision 18-10-008 (October 11, 2018), which addressed workforce requirement standards that must be applied by all investor owned utility program administrators (PAs). The

workforce standards are required to be in place for "non-third party or other new or pre-existing programs" by July 1, 2019. The workforce standards are being applied to all non-residential projects involving heating, ventilation and air conditioning (HVAC) systems, and lighting controls.

Installation technicians used to install, modify, or provide maintenance on any heating, ventilation, and air conditioning (HVAC) project are required to meet **one or more** of the following (four) workforce requirements **prior to initiation of work:**

1. Complete a California or Federally accredited HVAC apprenticeship.
2. Be enrolled in a California or Federally accredited HVAC apprenticeship.
3. Have completed at least five years of work experience at the journey level as defined by the California Department of Industrial Relations and passed a practical and written HVAC system installation competency test and received credentialed training specific to the installation of the technology being installed.
4. Have a C-20 HVAC Contractors License from the California State Contractor's Licensing Board.

Installation technicians used to install, modify, or provide maintenance on any lighting controls project must meet the following requirement **prior to initiation** of work.

5. Received certification through successful completion of the California Advanced Lighting Controls Training Program (CALCTP).

Please note that the aforementioned HVAC and Lighting requirements apply to each individual that performs the work, not to the contracting firm itself.

Note: *CPUC Decision (D.)18-10-008, "Decision Addressing Workforce Requirements and Third-Party contract Terms and Conditions," issued October 22, 2018.*

9.3 CONTRACT TERMINATION

Projects may be terminated at SCE's discretion, for reasons including but not limited to the following conditions:

- SCE determines that significant information was purposely withheld or falsely stated in the Project PFS.
- The project fails to be installed, fully commissioned, or fully operational prior to the installation deadline.
- The Customer requests withdrawal from the program.

Any customer that willfully submits misleading or erroneous documentation may be suspended from participating in SCE's energy efficiency programs for up to two years.

Attachments

Attachment A	Early Screening Document	See link to attachment
Attachment B	Project Feasibility Study	See link to attachment
Attachment C	M & V Plan Template	See link to attachment