



CenterPoint Energy Houston Electric 2017 SCORE[®], SCORE[®] Lite, and CitySmart[®] Programs

Program Manual
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For program inquiries, contact:

David Dzerski
Program Manager
CenterPoint Energy
PO Box 1700
Houston, TX 77251
(713) 207-3341

Email: David.dzerski@centerpointenergy.com

Updates to this manual and program enrollment materials will be provided at
www.eeprograms.net/centerpoint

CenterPoint Energy Houston Electric
2017 SCORE™, SCORE™ Lite and CitySmart® Programs
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SECTION 1. Program Guidelines & Participation

This document describes the SCORE[®], SCORE[®] Lite, and CitySmart[®] Programs as administered on behalf of CenterPoint Energy Houston Electric. We will refer to these programs as “Program” or “Programs” throughout this document. It includes information about the program eligibility requirements, incentive payments, and the participation process.

Much of the information included in this Program Manual is also available on the program website at www.eeprogams.net/centerpoint.

1. General Program Guidelines

1.1 Introduction

The Programs were developed by CenterPoint Energy Houston Electric (CenterPoint or CenterPoint Energy) to provide complimentary support to participating schools and local governments through a combination of tools and services for participants who complete projects resulting in peak electric demand savings (kW) and/or reductions in energy consumption (kWh). The Programs are designed to help institutional customers such as K-12 schools, colleges, universities, municipal/county government customers, faith-based establishments and non-profit organizations to identify energy efficiency opportunities in existing and newly planned facilities and provide monetary incentives to implement these projects.

These are voluntary programs that offer objective, third-party consulting on best practices in the areas of energy usage and energy efficiency. Participants in the Programs must meet minimum eligibility criteria, comply with all program rules and procedures, and submit documentation describing their projects.

Beginning in 2011, CenterPoint Energy began offering the SCORE Lite program, targeting schools and local government customers that have the staff and expertise to navigate the project application process successfully and do not require the technical assistance and other services available through SCORE or CitySmart. SCORE Lite participants are able to earn higher financial incentives compared to a similar project submitted to SCORE or CitySmart.

Beginning in 2015, CenterPoint Energy began including faith-based establishments and non-profit organizations in the SCORE, CitySmart, or SCORE Lite programs, since these customer types face many of the same challenges as schools and governments.

Chapter 1 provides a general introduction to the Programs, including an overview of program features and guidelines, and background information. Chapter 2 provides more detail on the program process, and project savings measurement and verification (M&V) requirements. All program information, including application materials, will be available on the World Wide Web at the Program website, www.eeprograms.net/centerpoint

1.2 Background

The CenterPoint Energy Programs were developed in 2006 to comply with State's energy efficiency goals to reduce peak electric demand. In 1999, the state legislature passed Senate Bill 7 (SB 7), which restructured the state's electric utility industry and set initial energy efficiency goals for investor-owned utilities. In 2007, House Bill 3693 (HB 3693) was passed and expanded these energy efficiency goals.

The 2017 program year represents the 12th year for the Programs. CenterPoint Energy has contracted with CLEAResult to implement the Program and provide the non-cash incentives and other services at NO COST to participating customers of CenterPoint Energy.

1.3 Program Objectives

The SCORE and CitySmart Programs are market transformation programs offered to all K-12 and higher education electric distribution customers of CenterPoint Energy. The SCORE Lite program is a program track that offers higher cash incentive rates for SCORE/CitySmart participants, similar to the C&I Standard Offer Program. Customers who have not previously demonstrated robust participation in CenterPoint Energy's energy efficiency programs are initially enrolled in SCORE or CitySmart unless they request to opt into SCORE Lite.

Program Objectives include:

- Encourage delivery of energy efficiency products and services to the target market segment(s).
- Transform these markets over time by addressing specific barriers that hinder adoption of energy efficient technologies and practices.
- Provide a suite of educational and supporting services to facilitate the implementation of energy efficiency projects.
- Create a simple and streamlined program process to stimulate strong participation from the targeted markets.
- Work in conjunction with trade allies such as lighting/mechanical contractors, architects, and engineers to promote cost-effective equipment specifications and installations
- Reduce peak electric demand (kW) and energy consumption (kWh)

The Programs seek to accomplish these objectives through a variety of services. First, the Programs help senior managers and facility supervisors operate their buildings more efficiently by understanding the technical and financial benefits of investing in energy efficiency and developing a plan to make energy efficiency improvements. Customers enrolling in the Program, referred to as Partners, receive technical and energy management assistance to help them make decisions about cost effective investments in facility energy efficiency. Partners also receive direct cash incentives for completed energy efficiency projects.

Other program services may include: the benchmarking of current energy use, facilitation of an energy master planning workshop, identification and evaluation of opportunities for energy efficiency measures, and communications support. Program staff work with each individual Partner to determine the most appropriate set of services to offer in order to address both immediate and longer-term needs.

While the Program does provide some technology recommendations, it does not require specific technologies or end uses. Instead, the Program provides a framework through which the Partner can receive incentives for implementing and installing a wide range of measures at their sites.

The Program, in addition to CenterPoint Energy electric distribution customers (Partners), involves the Program Sponsor (CenterPoint Energy) and the Program Implementer (CLEAResult). The roles and responsibilities of each are defined in the “Program Roles & Responsibilities” section below.

Notes:

CenterPoint Energy will not directly market any energy efficiency-related products or services to its customers. Entering into an agreement with CenterPoint Energy does not imply CenterPoint Energy’s endorsement or approval of any products or services. CenterPoint Energy makes no representation of the benefits of any particular technology or energy efficiency measure eligible for incentives under this program. The selection of an energy efficiency measure is at the discretion of the individual customer.

1.4 Key Changes for 2017

- The Program will no longer incentivize linear replacement or “plug and play” style LED products.
- Cash incentives: The 2017 incentive levels for three (3) specific measure were updated. These changes impact both SCORE/CitySmart and SCORE Lite. The measures that were adjusted are: chillers, motors, window film. The current incentive rates for 2017 are shown in the table below.

Measure Name	SCORE/CitySmart		SCORE Lite	
	\$/kW	\$/kWh	\$/kW	\$/kWh
Lighting- Fluorescent or Other	\$105	\$0.03	\$105	\$0.03
Lighting- LED	\$105	\$0.05	\$180	\$0.06
HVAC- Chillers	\$230	\$0.04	\$325	\$0.09
HVAC- DX	\$190	\$0.04	\$265	\$0.10
Motors	\$120	\$0.02	\$180	\$0.07
Variable Frequency Drive (VFD)	\$150	\$0.04	\$180	\$0.07

Window Film	\$90	\$0.02	\$175	\$0.06
Roofing	\$150	\$0.06	\$240	\$0.09
Other/Custom	\$175	\$0.06	\$175	\$0.06

- Beginning in 2017, the program will no longer reserve or otherwise hold incentives for projects (or project sponsors) that are unable to confirm:
 - Funding: project funding has been secured, either internally or externally
 - Timeline: construction schedule, including start and end date, have been confirmed
 - Scope: project scope, including final equipment selections, has been determined

1.5 Responsibility

Program Sponsor

CenterPoint Energy responsibilities include:

- Overseeing the Program Implementer
- Conducting and/or assigning formal on-site post-installation inspections of eligible projects to approve kW and kWh savings and incentive amounts,
- Authorizing and issuing incentive payments for completed projects, and

Program Implementer

CLEAResult responsibilities include:

- Conducting outreach to potential Program Partners,
- Approving Program Partners eligibility and enrollment,
- Providing some or all of the following services, based on the specific Partner’s needs, as assessed by CenterPoint Energy and CLEAResult: education, training, energy performance benchmarking, energy master planning, technical assistance, and PR/communications support.
- Making recommendations for higher efficiency options.
- Conducting and/or assigning formal on-site pre-installation inspections of eligible projects to approve kW and kWh savings and incentive amounts,
- Reviewing and approving Project Application Forms.

Customer

To participate in the CenterPoint Energy Programs, Partners are asked to fulfill a combination of the following requirements, determined in conjunction with CLEAResult:

- Commit to the terms of the Memorandum of Understanding (MOU) (see “Program Enrollment/Contacts” section for additional details),
- Submit projects and all necessary supporting documentation for eligible energy efficiency projects in order to reserve incentives,
- Exert its best efforts to approve, fund, and install cost-effective energy efficiency projects identified through the Program before the last day of the program year,
- Notify CLEAResult when projects are completed, and
- Provide access to project facilities and ample lead time both before and after project completion for any inspections that are required to verify electric demand and energy savings from a specific project. New construction projects do not require any inspections prior to project completion.

All K-12, higher education, municipal/county government, faith-based establishments, and non-profit organizations who are electric distribution customers of CenterPoint Energy are eligible to participate. A customer (or Program Partner, as described above) is defined by a single Tax ID number. Multiple locations of one organization are thereby considered a single customer, regardless of how many CenterPoint Energy account numbers they may have. For a specific facility to be eligible for financial incentives in the program, its **ESI ID** (noted on the electric bill) must be provided in order to verify electric service provided by CenterPoint Energy.

To participate in the Program, please see the “Program Enrollment/Contacts” section at the end of this manual.

Notes:

CenterPoint Energy will not reimburse Partners for any costs it may incur by participating in the Program. Please note that any financial investments a Partner makes through the course of participating in a Program are for the energy efficiency measures they elect to pursue and NOT for any of the services that are provided through Program. Financial incentives for demand and energy savings are paid to Partners upon verification and approval of completed energy efficiency projects.

1.6 Project Definition

A project, for Program purposes, is defined as one (1) proposed peak demand and/or energy saving measure type at one (1) facility owned and/or operated by the Partner.

All measures must meet the following requirements:

- Must result in measurable and verifiable electric demand reduction and/or energy savings. Please note that demand reduction is now calculated for winter peak savings where applicable.
- Must produce electric demand savings and/or energy savings through an increase in energy efficiency.
- New equipment must exceed minimum equipment efficiency standards (see discussion on “Efficiency Standards,” below).

Comprehensive projects that include a range of measure types are encouraged, though each measure must be treated as a separate project for Project Application purposes. For example, light fixture retrofits and split heating, cooling, and air conditioning (HVAC) system replacements at the same facility would be treated as two (2) separate projects when submitting projects to the Program.

1.7 Deemed Savings Measures

The energy efficiency upgrade measures in the list below are measurable by deemed savings calculations and are eligible in the Program. Savings based on the deemed savings approach apply where no unusual conditions exist. Deemed savings measures require no short-term testing or long-term metering. For a more complete description of the below deemed savings measures, please see the Texas Technical Reference Manual v.2.0 or higher available here:

<http://www.texasefficiency.com/index.php/regulatory-filings/deemed-savings>

LIGHTING EFFICIENCY (Retrofit or New Construction)

1. Linear Fluorescent (must be CEE qualified lamps and ballasts)
 - a. High-Performance or Reduced Wattage T8s
 - b. T5s
2. Light Emitting Diode (LED) (must be DLC, ENERGY STAR or Lighting Facts qualified)
 - a. Please note that the program no longer incentivizes linear replacement style LED products
3. High Intensity Discharge (HID) lamps
 - a. Pulse Start Metal Halide (PSMH) and Ceramic Metal Halide (CMH)
4. Lighting Controls

HVAC Efficiency (Retrofit or New Construction)

1. Chiller - Centrifugal (Replace on Burnout/ New Construction)
2. Chiller - Centrifugal (Early Retirement)
3. Chiller - Screw/Scroll/Reciprocating (Replace on Burnout/ New Construction)
4. Chiller - Screw/Scroll/Reciprocating (Early Retirement)
5. HVAC-DX/Heat Pump (Replace on Burnout/ New Construction)
6. HVAC-DX/Heat Pump (Early Retirement)
7. Room AC/HP (Replace on Burnout/ New Construction)
8. Variable Frequency Drive (VFD) on Air Handler Unit (AHU) Supply Fan (Retrofit only)

BUILDING ENVELOPE

1. ENERGY STAR Roof (Retrofit only)
2. Window Film/Screens(Retrofit only)

REFRIGERATION

1. Door Heater Controls (Retrofit only)
2. ECM Evaporator Fan Motors (Retrofit only)
3. Electronic Defrost Controls (Retrofit only)
4. Evaporator Fan Controls (Retrofit only)
5. Night Covers (Retrofit only)
6. Solid & Glass Door Reach-Ins
7. Strip Curtains
8. Vending Machine Controls (Retrofit only)
9. Zero Energy Doors for Refrigerated Cases

FOOD SERVICE EQUIPMENT

1. ENERGY STAR® Electric Combination Oven
2. ENERGY STAR Electric Convection Oven
3. ENERGY STAR Commercial Dishwashers
4. ENERGY STAR Electric Fryers
5. ENERGY STAR Electric Steam Cookers
6. ENERGY STAR Hot Food Holding Cabinets
7. Pre Rinse Spray Valve

The list above provides examples of eligible measures. CLEAResult, together with CenterPoint Energy, will consider any measures that are not listed in this Program Manual for program eligibility on a case-by-case basis.

Other measures may be eligible if they provide measurable and verifiable peak demand and/or energy savings, but require submission and implementation of an M&V plan to be paid for/negotiated by the Partner. Similarly, all measures following the simplified and full M&V approaches require the submittal and implementation of an M&V Plan. All plans are reviewed

by CLEARResult to ensure adherence to industry-standard protocols. They must then be approved by CenterPoint Energy. Please refer to the later sections on Measurement and Verification Guidelines for both Retrofit and New Construction projects for further information on preparing and implementing an M&V plan.

1.8 Custom/Other Measures

Demand and energy savings will be calculated using the definitions provided above and according to one of three savings approaches.

1. **Deemed or Stipulated Savings:** The most common approach, deemed savings, which are based on standardized savings values or simple formulas for a range of measures in representative building types. This approach is suitable for a variety of projects where energy and demand savings may be estimated to a reasonable degree of accuracy without additional M&V. Variables such as operating hours, coincident usage with peak electric demand period, and energy consumption of existing equipment are assumed in these cases according to previously gathered field data. The Partner is not required to perform any M&V activities when using deemed or stipulated savings. For example, projects that replace DX units or fluorescent lighting with new, higher efficiency alternatives would typically be eligible for deemed savings and would not require further field measurements.
2. **Simplified Measurement and Verification (Simple M&V) – IPMVP Option A (Retrofit Isolation: Key Parameter Measurement):** Savings values using this approach are based on simple engineering calculations using typical equipment characteristics and operating schedules developed for particular applications, with some short-term testing or simple metering. Please contact CLEARResult when determining whether to employ the Simplified M&V or Full M&V approach. An M&V plan is required to be submitted before the project begins for this approach.
3. **Measured Savings or Full M&V – IPMVP Options B, C, or D:** With this approach, actual measurements and analysis through metering, billing or regression analysis, or energy modeling are relied upon to calculate peak electric demand savings and energy savings. There are specific M&V procedures based on the International Performance Measurement and Verification Protocol (IPMVP) and there are three Full M&V Options:
 - Option B – Retrofit Isolation: All Parameter Measurement; Applicable to Various Measures

- Option C – Whole Facility Metering or Sub-metering; Applicable to Various Measures
- Option D – Calibrated Simulation; Applicable to Various Measures

This Protocol serves as the starting point for standard industry practice and specifies how and what M&V procedures are to be used in calculating demand and energy savings. More information about the IPMVP may be found at www.evo-world.org. Partners selecting this option must submit an M&V plan with their Project Application. Proposed M&V plans must then be approved by CLEAResult before any associated measures are installed. Please contact CLEAResult when determining whether to employ the Full M&V approach.

The savings methodologies described above differ in terms of detail and rigor and some are chosen based upon the predictability of equipment operation, availability of evaluation data from previous programs, and benefits of the chosen M&V approach relative to its cost.

Please note that Partner is responsible for the arrangement of and costs associated with M&V activities for a project (if either simple or full M&V approaches are selected). M&V activities/responsibilities may be assigned to a third party (e.g. contractor) or, in some limited cases, conducted by CLEAResult, with the approval from CenterPoint Energy. These activities/costs are NOT required for participating in the Program but may be justified for specific projects.

In order to maintain consistency between programs serving commercial customers, CLEAResult will defer to the more detailed M&V procedures and guidelines available for participants in the C&I Standard Offer Program. These guidelines can be found at the below website or CLEAResult can recommend an appropriate M&V methodology for a given project type.

www.centerpoint.anbetrack.com

Fuel Switching Measures

Electric to gas fuel switching measures may be eligible. Please check with your Program representative regarding specific project opportunities.

Efficiency Standards

CenterPoint Energy has designed the Programs to encourage electric energy-efficiency improvements that exceed the efficiency gains typically achieved in retrofit, replacement, or new construction projects. Consequently, equipment installed through the Program must meet applicable new equipment minimum efficiency standards and demand and energy savings credit

will be based only on reductions that exceed current industry accepted baseline standards as defined in the most current version of Volume 3 (Non-Residential Measures) of the Texas Technical Reference Manual version 3.0, which can be found at:

<http://www.texasefficiency.com/index.php/regulatory-filings/deemed-savings>

For deemed lighting and HVAC projects (both retrofit and new construction varieties), these efficiency standards can be found in the approved savings calculators, which are available on the program website:

<http://www.eeprogams.net/centerpoint/>

1.9 Incentives

There are a variety of incentives available to Partners in order to assist with identification, evaluation, and implementation of eligible energy efficiency projects. Program incentives include a mix of cash and non-cash incentives as described below. CLEAResult will work with enrolled Partners to determine the appropriate non-cash incentives to provide in addition to assisting with identification and development of projects that may be eligible for cash incentives.

Technical Assistance & Project Identification: Technical support is provided to help Partners identify and evaluate energy efficiency opportunities in order to determine which projects are viable. Included in this service, is the outreach to educate senior decision makers on project financing options where funding sources are not immediately available.

Communications & Public Relations Support: Press releases and other communications support are provided to help partners gain recognition for taking steps to improve the energy performance of their facilities, reduce operating costs, and use budget dollars more efficiently.

Energy Performance Benchmarking: The Partner's current energy use is benchmarked with the U.S. EPA's ENERGY STAR® Portfolio Manager® tool. Portfolio Manager provides a rating for the performance of buildings on a scale of 1 to 100, relative to similar buildings, with higher scores indicating better energy performance. Other benchmarking metrics are also provided that compare the Partner's facilities to similar facilities within the region, such as cost per student/employee, cost per square foot, etc.

Energy Master Planning: Partners are offered training and guidance for developing an Energy Master Plan (EMP). EMPs can overcome entrenched institutional barriers to energy efficiency

by offering policies and procedures that promote energy efficiency (e.g., specifying minimum levels of energy performance) and eliminate counterproductive practices (e.g., installing low-first-cost systems). This process starts with an Energy Master Planning Workshop, which is facilitated by the Program. At this meeting, Program staff will work with senior decision makers from the Partner organization to develop a “road map” for how energy management practices can be improved upon.

***Note: The SCORE™ Lite Program provides limited support with regard to the above program services.**

Cash Incentives

The Program provides financial incentives, based on reductions in peak electric demand (kW) and energy consumption (kWh/yr) at a Partner’s facility. These financial incentives help the Partner to “buy down” the incremental cost of purchasing more energy-efficient equipment and are meant to encourage adoption of construction and maintenance practices which will reduce energy operating costs.

Available Budgets

The total cash incentives available for SCORE/CitySmart and SCORE Lite participants in 2017 is \$1,507,500.

Cash incentives are subject to availability and reservation. In order to receive cash incentives, the Partner must first reserve incentives by submitting their projects to the Program, detailing the scope and timeline for each project and providing the Program with all necessary supporting documentation (please see “Project Eligibility” section below for “Project Definition & Requirements”). There is no financial payment or deposit required to reserve cash incentives from the Programs.

CLEAResult will review submitted projects and approve eligible projects for an initial incentive reservation. The incentive reservation amount may be adjusted during the course of the program year, due to changes in the estimated savings or completed project savings. CenterPoint Energy is not required to pay the Partner in excess of 100% of the incentives reserved for a particular project if the Program is fully subscribed at the time of project completion. For more information, please see the “Funding Limitations” section below.

More detailed information about the process for reserving cash incentives from the Program is provided in the “Project Application Process” section below.

1.10 Incentive Rates

The incentives for eligible energy efficiency measures in the SCORE™ and CitySmart® Programs are:

MEASURE TYPE	PEAK DEMAND INCENTIVE (\$/kW)	ENERGY INCENTIVE (\$/kWh)
Lighting- Fluorescent or Other	\$105.00	\$0.03
Lighting- LED	\$105.00	\$0.05
HVAC- DX	\$190.00	\$0.04
HVAC- Chiller	\$230.00	\$0.04
Motors	\$120.00	\$0.02
Variable Frequency Drive (VFD)	\$150.00	\$0.04
Window Film	\$90.00	\$0.02
Window Replacement	\$90.00	\$0.02
Roofing (Retrofit Only)	\$150.00	\$0.06
Other/Custom (Simple or Full M&V)	\$175.00	\$0.06

The incentives for eligible energy efficiency measures in the SCORE™ Lite Program are:

MEASURE TYPE	PEAK DEMAND INCENTIVE (\$/kW)	ENERGY INCENTIVE (\$/kWh)
Lighting- Fluorescent or Other	\$105.00	\$0.03
Lighting- LED	\$180.00	\$0.06
HVAC- DX	\$265.00	\$0.10
HVAC- Chiller	\$325.00	\$0.09
Motors	\$180.00	\$0.07
VFD (Simple or Full M&V)	\$180.00	\$0.07
Window Film	\$175.00	\$0.06
Window Replacement (Simple or Full M&V)	\$175.00	\$0.06
Roofing (Retrofit Only)	\$240.00	\$0.09
Other (Simple or Full M&V)	\$175.00	\$0.06

Incentive Determination

As noted in the table above, financial incentives are based upon peak electric demand savings and annual electric energy savings. Peak electric demand savings will be reported as the maximum of either summer or winter peak demand (kW) but not both. The summer peak period is defined (no changes) as weekdays, between the hours of 1 P.M. and 7 P.M. from June 1 until September 30, excluding holidays. The winter peak period is defined as between the hours of 6 A.M. and 10 A.M. and 6 P.M to 10 P.M., during the months of December, January, and February, excluding weekends and Federal holidays. Energy savings are defined as electric energy savings over the course of one 12-month period.

Incentive Availability

Both the cash and non-cash incentive budgets available through the Programs are limited. If the incentive reservations exceed the program budget for incentives, the Program is considered fully or over-subscribed. In the event that projects are submitted after the Program is fully subscribed, those projects will be added to a project wait list.

Any Partner submitting projects that are unable to receive cash incentives in the current program year due to oversubscription may choose to continue with their installation without incentives or delay the project and reapply for incentive funds during the next program year when additional incentive budget becomes available.

Funds for each year are paid on a first-come, first-served project basis. Depending on funds that remain available in the Program at the time of project completion, the Partner may be paid in that year only as much as the remaining funds allow.

Payments

Any cash incentives received through the Program are paid directly to the Partner after the project is completed, verified, and a post-installation inspection is conducted. Partner may elect to have a trade ally, contractor, or other third party receive incentive funds on their behalf, though the default structure is to issue incentives to the end use customer. Funds will be paid within the program year once the project is completed and verified. For projects following IPMVP, the program will pay 40% of the estimated incentive upon project completion, and the remaining 60% upon the completion of post-installation M&V activities, which may occur in a subsequent program/budget year.

2. Participation Process

2.1 Overview

This chapter provides information on participating in the Programs including the process for submitting projects for cash incentives and requirements for the Partner to first reserve then receive eligible incentive payments. Once a Partner has joined the Program (see “Program Enrollment” section), that Partner may begin submitting projects for approval using the Project Application Form. The purpose of the Project Application process is to provide Partners with security of reserved incentive funds. There is no financial commitment required to reserve incentives in the Program, though signing the Project Application Form does signify a commitment from the Partner that the included projects will be completed during the calendar year incentives are being applied for in.

2.2 Program Enrollment

To enroll in the Program, the Partner executes a Memorandum of Understanding (MOU) for the SCORE, SCORE Lite, or CitySmart Program and submits it to CenterPoint Energy. The Program MOUs are posted on the Program Web Site www.eeprograms.net/centerpoint.

Electronic copies of the signed MOU may be emailed to:

David.dzierski@CenterPointEnergy.com

Hard copies of the signed MOU may be faxed or mailed to:

CenterPoint Energy
Attn: David Dzierski
PO Box 1700
Houston, TX 77251
Fax: (713) 207-3341

For additional information about the program, please contact one of the following representatives:

David Dzierski
Program Manager
CenterPoint Energy
PO Box 1700
Houston, TX 77251
(713) 207-3341

David.dzierski@CenterPointEnergy.com
Web site: www.centerpointefficiency.com

Or

Fred Wu
CLEARResult
4301 Westbank Dr, Bldg A
Austin, TX 78746
(512) 416-5906

Email: fwu@CLEARResult.com
Web site: www.eeprograms.net/centerpoint

2.3 Project Application

The Program Implementer will review and approve projects submitted to the program before officially reserving incentive funds. Eligible projects must complete the required post-installation inspection before December 1, 2017. Program Implementer will communicate back incentive reservation details to Partner after reviewing and approving or waitlisting projects. A copy of the Project Application form can be downloaded from www.eeprograms.net/centerpoint.

Below is a step-by-step process by which a Partner may identify a retrofit, major renovation, or new construction project opportunity and have it accepted into the Program with financial incentives reserved.

1. Project Identification
2. Project Submission
3. Pre-Installation Inspection
4. Project Application Form
5. Construction
6. Post-Installation Inspection
7. Receive Incentive Payment

Project Identification

CLEAResult works with individual Partners to assist them in assessing their equipment, facilities and operations to identify eligible energy efficiency projects. Depending on the level of Program participation or time of year, the Program will make the best effort to provide direct assessment assistance in a timely manner. See “Project Eligibility” section for a list of measures eligible for incentives under the Program.

Project Submission

Partner submits eligible projects to the Program by contacting a program representative with pertinent details, including applicable energy efficiency measures planned for completion and their respective project scopes and timelines.

When submitting projects to the Program, please keep the following in mind:

- Submitted projects must include the following:
 - Project scope, including equipment counts, sizes, etc. where applicable
 - Estimated project timelines
- Partner is responsible for following up with the Program to confirm receipt of any submitted projects

Projects submitted to the Program are expected to have secured funding or at least reasonable likelihood of doing so unless otherwise noted by Partner.

Pre-Installation Inspection

For a retrofit project:

- A pre-installation inspection must pass before any installation work can begin.
- Partner will coordinate with CLEAResult to schedule a pre-installation inspection (allow up to four weeks).

- Program inspector will be sent to the site or sites to visually confirm and document the existence and condition of the equipment to be replaced, including make, model and serial number where applicable.
- For projects involving outdoor lighting, including pole-mounted parking lot lighting, Partner must provide the project's construction start and end date and coordinate with program inspector to schedule a mid-construction inspection.
- The Partner will provide a knowledgeable representative to accompany the inspector on the pre-installation inspection.

For a new construction project:

- Partner must submit a full set of stamped construction drawings (A/M/E/P) (in electronic, PDF file format) to CLEAResult for review. These drawings are the supporting documentation for new construction projects.
- No pre-installation inspections are required for new construction projects.

Final Project Application Form

Approval of incentive reservations are solely within the discretion of the Program Implementer and/or Program Sponsor. CLEAResult will review each project submitted to the Program for completeness, accuracy and whether the listed measures qualify for incentive funding under the Program. CLEAResult will communicate with the Partner regarding necessary corrections and/or modifications to the application (additional information may be required). Once completed, Final Project Application Forms are issued by the Program to each Partner indicating which projects and at what amounts are officially reserved for incentives.

CLEAResult may deny approval of a specific project for a variety of reasons, including, but not limited to:

- The required project information is incomplete;
- The project was submitted after all funding has been reserved by other Partners (see below "Waitlist" section);
- The Partner fails to meet program eligibility requirements;
- The Partner fails to submit the required supporting documentation; and
- The Partner is found to have made material misrepresentations in the project submission.

If a particular project or set of projects is denied, CLEAResult will follow up with the Partner to request specific information or recommend specific steps to revise the Form. The Partner can

submit the revised Project Application Form, and CLEAResult will consider for approval based on the date of re-submission.

In the event that all incentive funding has been reserved, additional projects submitted to the Program will be placed on a waitlist in the order that they are received by CLEAResult. Partners will be notified of their project's position on the waitlist. If additional incentive funding becomes available, waitlisted projects will be approved in the order received until the funding is fully reserved.

Construction

- For retrofit projects, Partner may proceed with project installation once the pre-installation inspection has been approved.
- During installation, or construction, Partner is to notify CLEAResult of any changes to the project scope, equipment selection, or timeline. Please keep in mind that outdoor lighting retrofits require a mid-construction inspection with the Program. Typically, this will take the place of both pre- and post-installation inspections for the project.
- Incentive reservations are approved under the condition that project installations will be completed before December 1st in the current program year. Project installations not completed prior to that date will forfeit the incentive funds that have been reserved for that project.
- Note: Project installations that are not completed before December 1st will be allowed to re-apply for incentive funds for the following program year, under the same conditions listed above in the "Project Application" section. Because program baselines and design can change from year to year, incentive amounts may change in the subsequent year.

Post-Installation Inspection

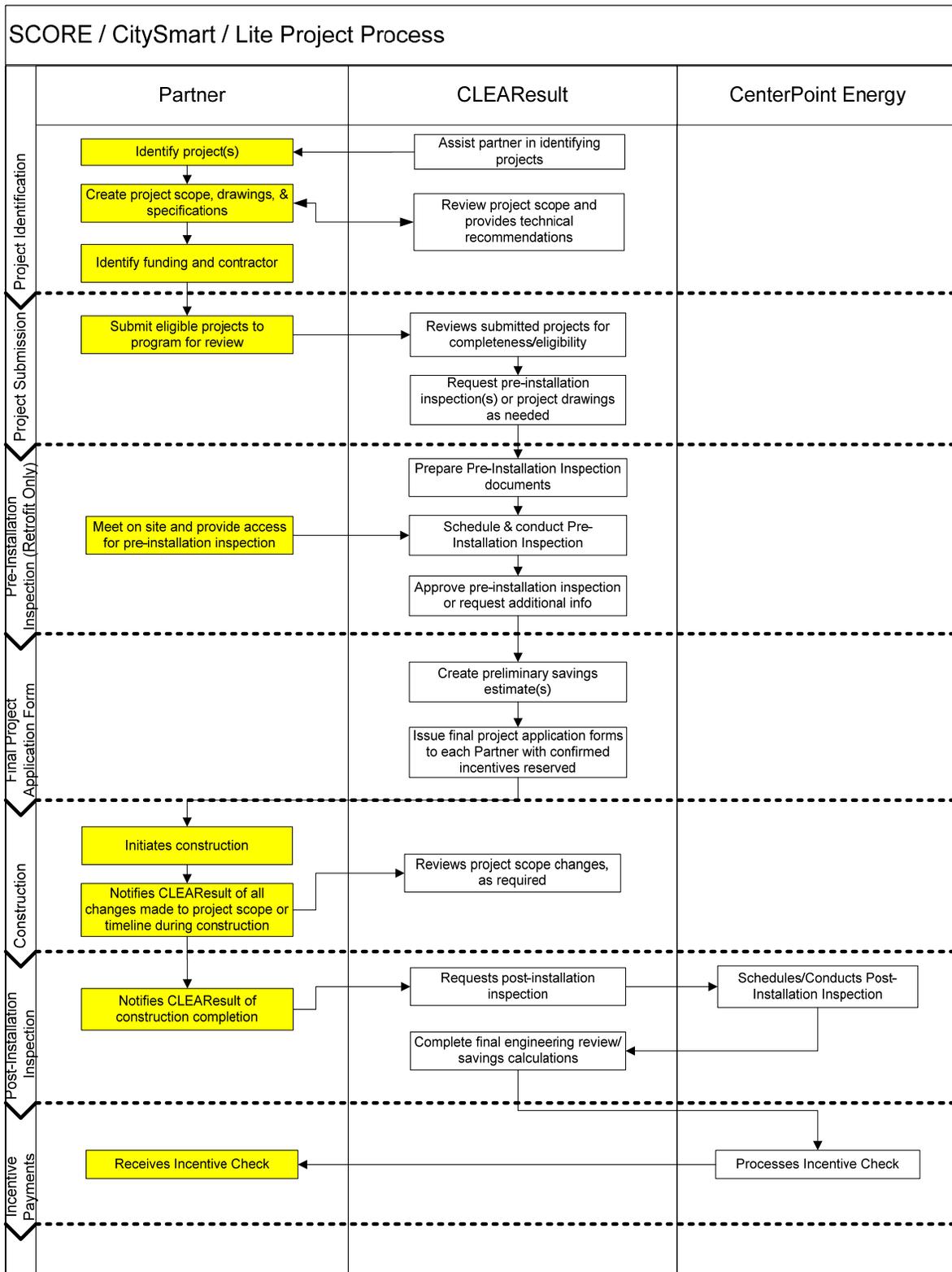
- After the project has been installed, the Partner must:
 - Notify CLEAResult of the project's completion
 - Work with CLEAResult to confirm, and update if necessary, the supporting documentation:
 - Lighting: If quantity, fixture type, etc. differ from original Lighting Survey Form, update form accordingly
 - HVAC: If equipment type (SEER or EER rating) differs from originally submitted information, update accordingly
- Coordinate with CenterPoint to schedule a post-installation inspection to verify that the equipment has been installed as indicated. The Partner must provide a

knowledgeable representative to accompany the inspector as well as provide any equipment needed to verify installed measures (e.g. ladder for lighting inspections) on the post-installation.

Incentive Payment

Using the results of the post-installation inspection, CLEAResult will determine the project's eligible peak demand (kW) and energy (kWh/yr) savings. Using the peak demand and energy savings determined by CLEAResult, CenterPoint Energy will pay the Partner an incentive amount based on the eligible savings. The Program is not under any obligation to pay more incentives than the amount reserved by the Project Application Form for any project. If greater savings are achieved than the amount reserved and budget is available, the Program has the option to pay Participant additional incentives. For additional details on how incentive payments are determined, scheduled, and paid, please see the "Incentives" section of the Program Manual.

Program/Project Workflow



2.4 Other Information

Confidentiality

The Program is subject to oversight by the Public Utility Commission of Texas (PUCT), which may request a copy of any Program materials received by CLEAResult or CenterPoint Energy. A Partner's sensitive company and project information submitted to the Program, such as financial statements and project costs, will be treated confidentially to the fullest extent possible and will not be provided directly to outside parties other than the PUCT. Neither CLEAResult nor CenterPoint Energy will be liable to any Partner or other party as a result of public disclosure of any submittals.

Submission of False Information

CLEAResult will discontinue its evaluation of all submittals from any Partner who submits false, misleading or incorrect information. If an evaluation is discontinued under these circumstances, CLEAResult will return all of the Partner's submittals.

Correspondence and Submittals

Please contact CenterPoint Energy to raise any issues/concerns that have arisen during participation in the Program:

David Dzierski
Program Manager
CenterPoint Energy
PO Box 1700
Houston, TX 77251
(713) 207-3341

David.dzierski@CenterPointEnergy.com

Also, a formal complaint may be submitted to the PUCT at any time by using the following address and contact information:

Public Utility Commission of Texas
Office of Customer Protection
P.O. Box 13326
Austin, TX 78711-3326
(512) 936-7120 or in Texas (toll-free) 1-888-782-8477
(512) 936-7003 (Fax)
Email: customer@puc.state.tx.us
Website: www.puc.state.tx.us

Internet Sites

The program website (www.eeprograms.net/centerpoint) will serve as the primary source for all updated program information and materials. Both potential and existing Partners, trade allies,

etc. can find additional information about the program process and requirements and download the program manual, M&V guidelines, and equipment guidelines.

Disclaimers

Partner acknowledges and agrees that any review or inspection by CenterPoint Energy or CLEAResult of Partner's facilities/premises or of the design, construction, installation, operation or maintenance of the energy efficiency equipment installed or to be installed in connection with the program is solely for the information of CenterPoint Energy. In performing any such inspection or review or in accepting the installed equipment for the award of incentives, Partner acknowledges and agrees that CenterPoint Energy or CLEAResult makes no guarantee, representation or warranty whatsoever as to the economic or technical feasibility, capability, safety or reliability of the equipment, its installation by a project contractor or its compatibility with Partner's facilities.

Program Implementer is an Independent Contractor

CLEAResult is an independent contractor and is not authorized to incur obligations on behalf of CenterPoint Energy. CenterPoint Energy is not responsible for the truth or validity of any representation not contained in the Program Manual or Memorandum of Understanding.

2.5 Key Definitions

Deemed Savings – a set of pre-determined, validated estimates of energy and peak demand savings attributable to energy efficiency measures in particular types of application that an electric utility may use instead of energy and peak demand savings determined through measurement and verification activities.

Demand Savings (kW) – Peak demand savings that have been approved using one of the eligible measurement and verification protocols as set forth in this Program Manual. It represents the average reduction in demand on the utility system throughout the utility system's winter or summer peak period but not both.

Energy Savings (kWh/yr) -- electric energy savings over the course of one 12-month period

Estimated Incentive Payment – contained in the Project Application Form (once approved by the Program Implementer), this is the amount of incentives reserved in the Program budget for the list of committed projects, and therefore is the maximum amount of incentives the Partner can receive upon project completion and verification of savings.

Incentive Reservation – financial incentives are not fully reserved through this Program, until and unless the Partner receives a Final Project Application Form back from the Program.

Memorandum of Understanding (MOU) – non-binding agreement signed and submitted by Partner, stating their intent to participate in the Program

Partner – eligible CenterPoint Energy electric distribution customer who has enrolled in the Program

Peak demand – electrical demand at the times of highest annual demand on the utility's system

Peak period –The summer peak period is defined (no changes) as weekdays, between the hours of 1 P.M. and 7 P.M. from June 1 until September 30, excluding holidays. The winter peak period is defined as between the hours of 6 A.M. and 10 A.M. and 6 P.M to 10 P.M., during the months of December, January, and February, excluding weekends and Federal holidays.

Post-Installation Inspection – inspection performed after installation of new equipment. Post installation inspection verifies actual installed measure(s) to verify resulting deemed or measured and verified demand and energy savings.

Pre-Installation Inspection – inspection performed prior to any replacement of existing equipment, device, or structural energy efficiency measures (windows, window film, roof coatings, etc.) to validate and collect data on existing equipment and measures.

Project – for Program purposes, a project is defined as one (1) proposed peak demand savings measure type at one (1) facility owned and/or operated by the Partner.

Project Application Form – in order to reserve financial incentives through the Program, Partner must complete and sign this document, which details the location, scope, and start/completion dates for each project that is being submitted.

2.6 Frequently Asked Questions

1. What is the SCORE Program?

SCORE is an energy efficiency program designed to assist CenterPoint Energy's K-12 and higher education customers to reduce peak electric demand and annual energy usage in their facilities. Beginning in 2015, SCORE also includes faith-based establishments and non-profit organizations. The Program provides access to technical information, energy assessments, and financial incentives to improve the efficiency of their buildings.

2. What is the CitySmart Program?

CitySmart is similar to SCORE except that it focuses on local government customers, including municipal and county government facilities.

3. What is SCORE Lite?

SCORE Lite is a program option for Partners that do not need (or only need a limited amount of) the non-cash incentives offered by either the SCORE or CitySmart program. Partners who do not wish to take advantage of those benefits of the Program can earn higher cash incentives for most projects.

4. Who is eligible to participate in these Programs?

Please see the "Program Eligibility" section of this Program Manual for exact details. In general, SCORE is offered to all K-12 and higher education entities as well as faith-based and non-profit organizations and CitySmart® is offered to government entities that receive electric distribution services from CenterPoint Energy. Any eligible SCORE or CitySmart Partner may elect to enroll in SCORE Lite for a given year.

5. What does the Program cost?

CenterPoint Energy provides all of the support and incentives for the Program. There is no cost to eligible customers for participating.

4. What incentives are available through the Program?

The SCORE and CitySmart Programs offer both cash and non-cash incentives to Partners in order to assist with a specific organization's needs. SCORE Lite focuses on providing higher cash incentives for Partners. Other program services, such as technical assistance and communications support, are made available according to the needs of each Partner.

5. How does a customer enroll in the Program?

An eligible customer may participate in the Program by submitting a Memorandum of Understanding to CenterPoint Energy. Please see the “Program Enrollment/Contacts” section for additional details. Also, a sample MOU is included in the “Appendices” section.

6. What are the next steps after initial enrollment in the Program?
 - a) Program Implementer (CLEAResult) will contact Partner to discuss what, if any, technical assistance is needed to identify energy efficiency projects.
 - b) CLEAResult and the Partner work collaboratively to appropriately characterize potential energy efficiency projects, including estimated electric demand (kW) and energy savings (kWh).
 - c) Partner selects projects for the current program year and submits them to the program, including the scope and timeline of each individual project.
 - d) For projects retrofitting or replacing existing equipment, CLEAResult will conduct a pre-installation inspection at the project site. The pre-installation inspection is REQUIRED for ALL retrofit projects. New construction projects do not require a pre-installation inspection.
 - e) For projects involving new construction, Partner must submit a full set of stamped construction drawings (A/M/E/P) (in electronic, PDF file format) to CLEAResult for review.
 - f) Assuming the Partner passes any requisite pre-installation inspections or plan reviews, Partner will then be provided a Final Project Application Form confirming preliminary savings estimates and associated incentive dollars that have been reserved.
 - g) The Partner completes the energy efficiency project.
 - h) The Partner notifies CLEAResult that the project is completed. Please note that all projects that are to receive a financial incentive from the 2016 Program must complete the required post-installation inspection by November 30th in order to allow time for verification of the project.
 - i) For all projects, CenterPoint Energy will conduct a post-installation inspection at the project site.
 - j) CLEAResult finalizes project savings/incentive amounts based on the results of the post-installation inspection.

- k) CenterPoint Energy processes incentive payments and either issues a check or wires incentive funds (Partner may select their preferred method of payment at time of enrollment).
 - l) CLEAResult follows up with the customer regarding future energy efficiency projects.
7. Who decides what energy efficiency technologies to install and who installs them?
- The participants decide what energy efficiency measures to implement and how they are implemented. The Program offers only improved access to assistance for identification and evaluation of energy efficiency opportunities. The Program does NOT provide any installation of energy efficiency measures.
8. How are energy efficiency opportunities determined?
- The Program works with each Partner to assess energy efficiency opportunities in both existing facilities and with new construction projects using a combination of facility walk-throughs, energy performance benchmarking analysis, and staff interviews.