

Florida Power & Light Company

Business Custom Incentive Program Standards

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FPL Business Custom Incentive Program Standards

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Program Objective

Encourage customers to install unique high-efficiency technologies not covered by other FPL Demand-Side Management (“DSM”) programs.

Eligibility Requirements

Customer must:

- Have an active FPL business account.
- Operate the equipment during FPL’s seasonal summer on–peak periods (3:00 p.m. to 6:00 p.m. weekdays from June 1 through September 30).
- Reduce its facility’s electrical demand coincident with FPL’s seasonal summer system peak by a minimum of 25 kW.
- Select, verify, and hire a qualified, licensed contractor to perform the installation work.
 - Governmental entities, including local, state and federal agencies, may, with FPL’s pre-approval, perform installations themselves provided they comply with all other Program Standards requirements.

The proposed equipment or measure must reflect the following specifications:

- Not be covered by any other FPL program.
- Permanent (*i.e.*, not an operational or maintenance improvement) as determined by FPL.
- Not have failed recent FPL cost-effectiveness screening.
- New (*i.e.*, cannot be refurbished, previously installed, or used) unless pre-approved by FPL.
- Not have been installed prior to the date of written acceptance of a customer’s proposal by FPL.
- Not be installed later than one year after the acceptance date, unless pre-approved by FPL.
- Not adversely impact FPL’s system reliability, equipment or safety.
- Not be fuel switching, a power generation technology or any type of wheeling.
Not be based exclusively on a change or improvement to the customer’s electrical equipment such as,
- but not limited to, electrical wiring, transformers, electric distribution equipment, substation equipment, or transmission facilities.

Project Development Requirements

Required Approval Steps

- To gain Pre-Approval the customer must:
 - Provide a savings analysis or other document(s) with sufficient information to allow FPL to perform an initial feasibility assessment.
 - Receive an affirmative response from FPL to proceed to the next approval stage.
- To gain Formal Approval the customer must:
 - Provide a screening application.
 - Submit signed Formal Proposal which includes:
 - Project description and installation plan
 - Project cost-effectiveness
 - Feasibility
 - Estimated kW reduction to FPL’s summer and winter peak and annual kWh savings
 - Equipment descriptions

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- To proceed with installation the customer must:
 - Receive written acceptance of the Formal Proposal by FPL.
 - Execute a contract detailing the terms of participation.

Project Monitoring and Verification

- The facilities in which the installation(s) are made shall be accessible to FPL employees for verification during installation and for monitoring as agreed to between FPL and the customer.
- FPL shall be solely responsible for determining the monitoring activity required, as well as for assessing the performance of the project as indicated by the monitoring results.
 - **High/Moderate confidence projects** – At a minimum, the customer or its designee must provide an engineering analysis with relevant calculations. FPL may, at its determination, also require a feasibility study performed by an independent registered professional engineer and/or field monitoring.
 - **Innovative projects** – The customer or its designee must perform field monitoring/measurement/metering and provide a report of the performance. FPL may also require verification of results by an independent registered professional engineer.

Rebate Amount and Reimbursement Processing

Rebate Amount

- Amount is project-specific based on the following Commission-approved cost-effectiveness testing results.
 - The payback to the customer is greater than two (2) years; and
 - The project must have a benefit-to-cost ratio of at least 1.01 under the Rate Impact Measure (“RIM”) Test; and
 - The project must achieve a minimum benefit-to-cost of ratio of 1.01 under the Participant Cost Test (“PCT”).
- Potential adjustments
 - Once the monitoring and verification of the project has been completed, the total rebate amount may be adjusted downward if the actual summer coincident peak demand savings is more than 15 percent below that stated in the contract. No upward adjustment will be made.
 - Any adjustment will be based on the cost-effectiveness testing utilizing the actual savings and the same resource assumptions in effect at the time of FPL’s approval of the customer’s Formal Proposal.
 - For a period of five (5) years from the date of the rebate payment, should FPL find that the applicable measure(s) is no longer in operation as stated in the Formal Proposal, FPL may require repayment in full of the rebate amount.

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Reimbursement Processing

- The customer must provide sufficient documentation that enables FPL to calculate cost-effectiveness.
- Payment will be made upon satisfactory completion of the project installation, monitoring and verification work and all other Program Standards and contract requirements.

Participation Limitation

FPL will close current-year participation if FPL determines that additional participation is not needed to achieve its approved Business sector annual Goals. FPL's prior commitments related to customer installations in progress at the time of such closure will be honored in compliance with these Program Standards. The Program will be reopened to new participants January 1st of the following year. FPL will provide customer messaging through its normal communication channels, which may include FPL's website, customer care center and other FPL representatives.

Reporting Requirements

Program costs will be reported to the Commission in FPL's Energy Conservation Cost Recovery ("ECCR") True-Up and Projection filings. Program achievements will be reported in FPL's DSM Annual Report.

Disclaimers

The issuance of a rebate by FPL under the Program shall not be considered or relied upon by the customer to be confirmation that: (i) the customer has selected the proper equipment or conservation measure; and/or (ii) that any of the underlying work performed by the customer or a third party was done properly pursuant to the manufacturer recommendations and specifications, building codes, other applicable laws, industry standards or individual contract requirements. FPL does not participate in or approve the selection of the equipment, conservation measure, or third party installer. FPL does not install the conservation measure for the customer and does not manage, supervise, control or provide any oversight of the work performed for such installation by the customer or any third party selected by the customer. It is the sole responsibility of the customer to investigate and select the equipment and/or conservation measure that is appropriate for their specific application, manage any third party they select to perform the work and to take the necessary precautions they deem prudent to ensure the equipment and work is proper and meets their expectations. FPL provides no guaranty or warranty regarding the amount of energy saving, the equipment and/or the work performed by the customer or third party.