

Standard Performance Contract Program



What is the Standard Performance Contract Program?

The Standard Performance Contract (SPC) program offers incentive payments for energy-efficiency projects involving the installation of new, high-efficiency equipment or systems. A project may consist of the retrofit of existing equipment/systems or the installation of equipment associated with new/added load.

SPC estimation software or engineering calculations are used to estimate the energy savings and incentive depending on the type of energy-efficiency measure installed. Some projects may require a measured savings approach. Incentives are paid based on the quantity of kilowatt-hour (kWh) or therms saved resulting from the installation of the new equipment or system. This value is calculated by the project sponsor either by using the SPC software, or submitting engineering calculations.

Who is eligible?

Customers eligible for the Standard Performance Contract program are defined as any commercial, industrial and agricultural customers who pay the public goods charge and/or demand-side management surcharge, regardless of size or project scope.

What are the project requirements?

Certain criteria must be met to receive incentives through the SPC program. The equipment must exceed government standards, must operate at least five years, and must not overlap other incentive programs offered by the utility.

Pre-inspections are required for all projects.

What are the incentives?

Incentive payments for annual energy savings in excess of the state and federal minimum standards are listed below.

Are there any limitations?

Applicants are eligible to receive up to 50% of the cost for each project for Calculated (SPC) Measures, not to exceed \$350,000 per project site. **Measures involving cogeneration or fuel-switching projects are not eligible.**

How do I apply?

To apply for SPC program incentives, you must submit the program application forms. Forms and the SPC Procedures Manual can be downloaded from www.sdge.com/spc, or you can call to request a CD-ROM.

Incentives for Calculated Savings Approach

Lighting	\$0.05/kWh	\$100/Peak kW*
A/C & Refrigeration	\$0.15/kWh	\$100/Peak kW*
Other (motors, fans, etc.)	\$0.09/kWh	\$100/Peak kW*
Natural Gas	\$1.00/Therm	

INCENTIVES FOR MEASURED SAVINGS APPROACH WILL RECEIVE AN ADDITIONAL 10% TO HELP OFFSET THE MEASUREMENT COSTS.

*Peak Demand Reduction Incentive

Contact the Program Assistant at 858-654-1250 or e-mail us at spc@semprautilities.com for assistance in completing the application forms or for questions about the Standard Performance Contract program.

What is the deadline for participation?

The 2009-2011 Energy Efficiency Programs have not yet been approved by the California Public Utilities Commission (CPUC). In order to maintain program availability, the CPUC has issued a Bridge Funding Decision that authorizes SDG&E® to continue the programs following the same guidelines. Customers may participate in Standard Performance Contract using the 2006-2008 program rules, incentive levels and applications. Bridge Funding will end no later than December 31, 2009.

Program incentive funds will be allocated on a first-come, first-served basis, until all funds are committed or until December 31, 2009, whichever occurs first. If all funds are committed prior to December 31, 2009, applications received by December 31 will be placed on a waiting list by SDG&E, and will be notified in order of receipt if additional funds become available.

Payment Schedule:*

APPROACH	PAYMENT SCHEDULE	MEASUREMENT & VERIFICATION (M&V)
Calculated Savings Approach	100% – after installation and verification	none
Measured Savings Approach	60% – after installation and verification 40% – one (1) year after installation date with verification	1 year

* If the project is very complex and/or involves new technology, we reserve the right to require a 2-year M&V period for customers. In this case, a 40%-30%-30% payment schedule will apply.

Managing your energy use

SDG&E has programs and services to help your business get more out of the energy that you use. Information on everything from seminars to online energy analysis tools, rebates and other financial incentives can be found 24 hours a day, seven days a week on our Energy Savings Center website at www.sdge.com/esc. Helping businesses manage their energy use is one of the ways SDG&E is committed to providing exceptional customer service.

This program is funded by California utility customers and administered by the state's investor-owned utilities, under the auspices of the California Public Utilities Commission.