

## Custom Incentive Guidelines Information

### Program Objectives:

The Custom Incentive Program provides energy efficiency expertise, services, and financial incentives to encourage the installation of new, higher efficient equipment retrofits, process improvements, and/or building system upgrades. A "Custom Incentive" is a direct payment or bill credit to a Participant for installation of Measures that are part of Projects that have been pre-approved by Ameren Missouri.

### Eligibility:

- Incentives are available for equipment purchased and installed after **March 1, 2016** and before January 31<sup>st</sup> 2019.
- All completion paperwork (completed applications, invoices, and other required documentation) must be postmarked no later than the lesser of 12 months from the date the incentive offer was signed by the customer or **January 31<sup>st</sup> 2019**.
- Installed equipment such as space heating that have little or no reduction in peak coincident demand are not eligible for incentives.
- Installed equipment that does not have a useful life (based on industry averages) that meets or exceeds 2023 are not eligible for incentives. The following is a list of examples:
  - PC Power Management
  - Strip Curtains
- Installed equipment must achieve a level of energy savings (kWh) in order to pass the cost benefit test within the application.
- Eligible Customers are commercial electric customers of Ameren Missouri that are classified under one of the following rates: Small General Service Rate 2(M), Large General Service Rate 3(M), Small Primary Service Rate 4(M), and Large Primary Service Rate 11(M).
- Equipment may not be purchased or installed prior to the customer signing and returning the incentive application pre-approval.

### Process:

1. All custom projects will be submitted via a custom application to Ameren Missouri for engineering review
2. Projects with incentives greater than \$10,000 will require a pre-inspection.
3. Submitted Custom incentive application will be reviewed to ensure that the measures satisfy the following program requirements:
  - a. Calculate energy savings and demand reduction potential
  - b. Verify project, measure, and installation cost estimates
  - c. Determine the value of the incentive offer
  - d. A Cost Test to verify the energy efficiency impact of the measure(s)
  - e. A simple payback that is greater than **18 months**
4. Incentive Applications for energy efficient measures will only be approved for reliable and cost-effective energy savings potential in the proposed use and site.
5. Once the project is reviewed, Ameren Missouri will send an incentive offer to the customer for their review and signature.

- a. **The customer must sign and return the offer to the Ameren Missouri within 30 days and prior to the purchase and installation of the equipment, to signify acceptance of the offer.**
- b. The customer will indicate on the written offer the following:
  - i. Estimated start date
  - ii. Installation completion date
  - iii. Final completion paperwork submittal date for the project, **which shall not exceed 12 months from the date the offer is signed**
- c. **A change in scope may result in recalculation or disqualification of the incentive offer.**

**Incentive Values and Caps:**

- Custom Incentives are based on the estimated energy savings after completion and verification of the approved energy efficiency project.
- **Reference the incentive table below for incentive rates by technology:**

End Use	\$/kWh Incentive Rate
Cooling	\$0.150
Building Shell	\$0.080
HVAC (Ventilation)	\$0.080
Cooking	\$0.080
(Interior) Lighting (24/7 Exterior Lighting)	\$0.075
Water Heating	\$0.075
Air Comp	\$0.070
Motors	\$0.070
Process	\$0.070
Miscellaneous	\$0.060
Refrigeration	\$0.060
Exterior Lighting (< 24/7 )	\$0.050

- Implementation of pre-approved measures may be reimbursed up to a **maximum of 50% of the total project cost or 100% of incremental cost based upon the chart below.**

Type of Upgrade	Incentive Max. per measure
Early Replacement – Existing equipment has not yet reached the end of its useful life (EUL).	50% of total project cost
End of Life Replacement – Existing equipment has reached end of its useful life (EUL) or has been deemed obsolete.	100% of incremental project cost

- Customers must install measures achieving a minimum total incentive of **\$150** per application and total incentives across all programs shall be capped at **\$3,000,000** per customer per this cycle defined as March 1, 2016 through February 28, 2019.