

Custom Incentives Application

Energy Solutions for Business

Baltimore Gas and Electric Company (BGE) offers incentives through its Smart Energy Savers Program® to help commercial, industrial, government, institutional and non-profit electric service customers offset the upfront costs for energy-efficient improvements. The Custom Incentives Application covers energy efficient equipment not eligible under the lighting, HVAC, and plug load and kitchen/refrigeration equipment applications. Custom projects may involve retrofits of existing inefficient equipment, new construction, major renovation and remodeling, new equipment purchases, and end-of-life equipment replacements. Measures can include energy management systems, air compressors, specialty LED lighting, industrial systems and comprehensive whole building systems.

Application and Instructions

Eligible Participants

Incentives are available to non-residential, commercial, industrial, government, institutional and non-profit electric service customers within the BGE service territory that fall under rate schedules G, GS, GL, P or T.

Eligible Equipment

All equipment must be new. Used or rebuilt equipment is not eligible for incentives. Existing equipment must be removed and not reinstalled within the BGE service territory.

Approval Requirements

Pre-approval from BGE is required for all custom applications. Prior to purchasing and installing any equipment, a completed application form and appropriate manufacturer data sheets must be submitted for review. After the application has been pre-approved, the applicant will be notified in writing and assigned a project identification number along with any specific instructions. Applicant must sign and return the [pre-approval letter](#).

Program Details

Details of the program, including incentive levels and technical requirements, are subject to change without prior notice. You may go to [BGESmartEnergy.com](#) to get the most current program information, or you may call 410.290.1202.

Total incentives are limited to \$1,000,000 per Federal Tax ID per calendar year. Incentives above this level may be granted on a case-by-case basis subject to program budget limitations. BGE reserves the right to deny any application that may result in BGE exceeding its program budget.

Participation Instructions

Step 1

Verify that your project meets the eligibility requirements specified on the individual application forms. Visit the program website at [BGESmartEnergy.com/business/energy-solutions-business](#) and contact us at 410.290.1202 before proceeding.

Step 2

Download and complete the appropriate application from [BGESmartEnergy.com/business/energy-solutions-business/application-forms](#). Refer to the Application Checklist on page 6 to verify that all required information and documentation are included for submission to BGE.

Please indicate if the incentive payment should be made payable to the customer of record or a third party, such as the installation contractor. All incentive payments require authorization from the customer of record.

IRS Form W-9 must be completed for the party receiving the incentive payment from BGE. IRS Form W-9 is available at [www.irs.gov](#).

Completed application packages may be submitted by U.S. mail, fax or email.

Mail: ICF International
7125 Thomas Edison Drive, Suite 100
Columbia, MD 21046

Fax: 410.290.0861

Email: Business@BGESmartEnergy.com

All applications will be reviewed for eligibility and completeness. Completed applications will be reviewed in the order received. Applicants who submit incomplete applications will be notified of deficiencies. BGE may require a pre-installation inspection. BGE will notify customers if an inspection of the facility is necessary.

Step 3

BGE will notify the applicant in writing when the review is complete and funds have been reserved. Upon receipt of program pre-approval, participants may purchase and install their energy-efficient equipment.

Notify BGE immediately if there are any changes to the scope of work, as this may require additional pre-approval.

Step 4

Upon project completion, please review your pre-approved application and note any changes to the project that occurred during installation. BGE customer of record must sign and return the written [pre-approval letter](#) and provide invoices with customer signature indicating awareness and satisfaction for all energy efficiency measures. BGE may require a post-installation inspection to verify compliance with program rules and verify the accuracy of project documentation and equipment operation.

BGE will authorize payment upon the application's review and approval. The incentive check will be mailed 6–8 weeks after the project's completion and payment approval.

Questions

If you have questions about the program, call 410.290.1202, email Business@BGESmartEnergy.com or visit [BGESmartEnergy.com](#)

I. CUSTOMER INFORMATION

Application Date _____ Expected Completion Date _____
 Company Name _____ BGE Electric Account # _____
 Street Address (of the facility) _____
 City _____ State _____ Zip _____
 Mailing Address (if different) _____
 City _____ State _____ Zip _____
 Contact Person _____ Title _____
 Telephone No. _____ Fax No. _____ Email _____
 Sector Type (select one) Note: Sector Type is the primary sector of business applicable to this application.
 Education Government Healthcare Hospitality Industrial Nonprofit
 Property Management Retail Other _____
 Building Type (select one) Note: Building Type is the primary use of the building applicable to this application.
 Office Retail School University Religious Facility Grocery
 Lodging Industrial Warehouse Health Facility Multifamily Restaurant Other _____
 Project Type (select one)
 New Building Addition/Renovation Change of Building Use Retrofit/Equipment Replacement New Equipment
 Existing Facility – Comprehensive Systems Track Other _____
 Square footage covered by application: _____

II. CONTRACTOR/VENDOR INFORMATION

Contact Person _____ Company Name _____
 Telephone No. _____ Fax No. _____ Email _____
 Street Address _____
 City _____ State _____ Zip _____

III. CONSULTING ENGINEER INFORMATION (if applicable)

Contact Person _____ Company Name _____
 Telephone No. _____ Fax No. _____ Email _____
 Street Address _____
 City _____ State _____ Zip _____

IV. PAYMENT INFORMATION

Payment to: Customer Contractor
 Customer Name _____ Title _____
 Signature (if payment to Contractor) _____ Date _____
 Business Type (if applicable)
 Minority-Owned Business Woman-Owned Business Veteran-Owned Business

V. ADMINISTRATIVE USE ONLY

Date Received _____ Project # _____ Program Rep. _____
 Pre-approved Date _____ Program Manager _____ Pre-approval Incentive \$ _____
 Final Approval Date _____ Program Manager _____ Final Incentive \$ _____

VI. IMPORTANT INFORMATION FOR CUSTOM APPLICATIONS

1. All applications for incentives under the Custom application require thorough and complete documentation of the proposed cost and projected electric usage and savings.
2. Before beginning the application process, the Customer or their contractor should check with a BGE Energy Solutions Representative to determine the eligibility of the proposed project and to establish requirements for detailed savings projections and cost estimates. This information must be submitted to BGE for review and evaluation of potential incentives. Please contact us at 410.290.1202 or email us at Business@BGESmartEnergy.com.
3. If a project consists of multiple Custom measures, Sections VIII, IX and X must be completed for each proposed energy conservation measure. These Sections are intended to provide a summary of each individual measure with supporting documentation attached as appropriate.
4. Based on the information contained in this Custom application and other information submitted during the application review process, BGE may develop a Minimum Requirements Document (MRD) specifying project-specific incentive offer conditions such as milestones, equipment efficiency and operational requirements along with any additional required documentation. The Customer will be required to sign and return the MRD to BGE along with the signed pre-approval letter.
5. After successful review and project approval, BGE will notify the Customer in writing of the project approval, the incentive value and the Terms & Conditions that are required to receive final incentive payment.

VII. CUSTOM SPECIFICATIONS

The Custom application must be used for all energy efficiency measures that are not covered by the prescriptive applications. Custom applications require supporting documentation on equipment performance and calculations documenting the energy and demand savings that are expected to result from each measure. This information typically includes performance data for the existing or base case equipment and the energy efficiency equipment proposed as well as the operating load profiles that the equipment operates under. There are several methods that can be used to determine the baseline for a given project. Please refer to the Custom Project Baseline Matrix on page 4.

Supporting documentation for each energy efficiency measure submitted with a custom application includes:

Project Overview: Provide a brief overview of the proposed project. Include a basic description of the facility and its function, location of affected equipment, and typical facility operation hours.

Existing System or Base Case Description: For retrofit projects, describe the existing system or equipment that will be modified under this application and state how the current system is operating. For new construction or end-of-life replacement projects, applications should provide information for the base-efficiency system or equipment. This should include:

- Detailed description of the affected equipment including system capacity, age, load profiles, capacity, production rate and hours of operation.
- Number of existing units.
- Manufacturer data sheets with equipment performance ratings (BHP, CFM, PSI, kW, Efficiency rating, U-value, etc.). Provide nameplate data if manufacturer data sheets are unavailable.
- Part-load performance data (where applicable).
- Description of controls and sequence of operations.

Proposed System Description: Describe the measures that are proposed in detail. Include:

- Detailed description of high-efficiency system or equipment and operating conditions.
- Manufacturer data sheets for the materials or performance ratings for equipment being installed (BHP, CFM, PSI, kW, Efficiency rating, U-value, etc.).
- Description of controls and sequence of operations.
- One line diagrams (where applicable).

Cost Estimates: For retrofit projects, provide a detailed cost breakdown associated with the project, including written proposals from vendors and contractors or itemized estimates of components from up-to-date estimating manuals. For new construction or end-of-life replacement projects, include cost data for base and high-efficiency systems or equipment.

Energy Impacts: Include a measure-by-measure summary of the calculated energy and demand savings associated with the project. Clearly indicate all assumptions and variables used in the analysis. This includes all engineering formulas and documentation of all the factors, values and assumptions used in the formulas (Microsoft Excel® spreadsheet preferred).

In cases where energy modeling is used to determine savings, approved modeling software must be used. Please submit a complete energy model including input and output data.

Show calculations used to determine baseline and proposed estimated electricity usage including:

- Energy (kWh) consumption for the four time periods.
- Summer peak demand (kW) and Summer PJM average peak demand (kW).

VIII. CUSTOM MATRIX FOR BASELINE DETERMINATION				
	Retrofit	End of Useful Life	New Construction	Major Renovation
Status of existing equipment?	Existing equipment has useful life remaining; replacement of equipment is not necessary for the continued operation of the facility of process.	Existing equipment is at the end of its useful life.	n/a	Equipment has been removed.
Motivation to go to high-efficiency equipment?	More efficient equipment will produce energy savings that exceed the inherent residual value of the existing equipment.	A time-dependent situation: They must install something; the incentives motivate them to go beyond the “minimum requirements” of code.	A time-dependent situation: They must install something; the incentives motivate them to go beyond the “minimum requirements” of code.	A time-dependent situation: They must install something; the incentives motivate them to go beyond the “minimum requirements” of code.
What if more efficient equipment is not installed?	Building can continue to function as is.	Lost opportunity for reducing operation costs.	Lost opportunity for reducing operation costs.	Lost opportunity for reducing operation costs.
What are the key references for the baseline?	The performance of the existing equipment as currently operated (vs. the performance of the same style of equipment, but with a high-efficiency designation).	The performance of the minimal equipment required by code (vs. high-efficiency versions of that equipment).	The performance of the minimal equipment required by code (vs. high-efficiency versions of that equipment).	The performance of the minimal equipment required by code (vs. high-efficiency versions of that equipment). Note: The type or age of equipment removed from the building is NOT a consideration.
Incentive levels for cost-effective measures? (Note: Actual incentive percentages and amounts may vary from project to project.)	Up to 50% of the costs for the more efficient equipment.	Up to 75% of the incremental costs for the more efficient equipment.	Up to 75% of the incremental costs for the more efficient equipment.	Up to 75% of the incremental costs for the more efficient equipment.
Lower threshold of payback?	Yes: 1.5 years	Yes: 1.5 years	Yes: 1.5 years	Yes: 1.5 years
How does “Comprehensive Custom” offering apply? (Note: In order for a project to have a Comprehensive Custom designation, it must achieve 80% of the achievable kWh savings.)	Comprehensive Systems Track: For custom measures, the incentives would increase to up to 75% of the total cost or a buy down to a one-year payback, whichever is less. (Note: For interactive retrofit equipment such as lighting, the incentive for prescriptive measures would be increased by 10%.)	Comprehensive Systems Track: This approach encourages a comprehensive system-wide view for end-of-life-system replacements. Enhanced incentives for interactive measures that focus on right-sizing the system. For custom measures, the incentives would increase to up to 75% of the total [labor + materials] cost or a buy down to a one-year payback, whichever is less.	Comprehensive Design Track: Targets opportunities during the design phase of a new facility or major renovation. Provides the customer with the opportunity to capture the maximum energy savings potential for the project by examining the building as an integrated system. Enhanced incentives would be available for up to 90% of the incremental cost or a buy down to a one-year payback, whichever is less.	Comprehensive Design Track: Targets opportunities during the design phase of a major renovation. Provides the customer with the opportunity to capture the maximum energy savings potential for the project by examining the building as an integrated system. Enhanced incentives would be available for up to 90% of the incremental cost or a buy down to a one-year payback, whichever is less.

IX. PROJECT SUMMARY

Attach project study including energy savings information and costs for each energy conservation measure. Briefly describe the project below.

Project Overview

Base Case Description

Proposed System Description

X. SUMMARY OF COST ESTIMATES

Provide back-up documentation for all equipment, material and labor broken down by energy efficiency measures. Sales tax may not be included. Adjust for salvage/resale value of equipment being replaced. Enter summarized costs in the table below.

Estimated Costs

	Estimated Material Cost	Estimated Labor Cost	Estimated Equipment Cost	Estimated Total Cost
Baseline Costs				
Proposed Costs				

XI. ENERGY IMPACTS

Please provide estimated annualized energy (kWh) usage and demand (kW) for each of the time periods listed below. Attach full documentation supporting energy and demand estimates. When a computer model is used for energy and demand calculations, please provide a complete description of input conditions for baseline and efficient states in addition to model outputs for both states.

Time Period	Estimated Energy Consumption (kWh)				Estimated Peak Demand (kW)	Estimated PJM Demand (kW)
	Summer Peak Period	Summer Off-Peak Period	Non-Summer Peak Period	Non-Summer Off-Peak Period	Summer	Summer
Definition	June – September 7am – 11pm, M-F, Non-Holiday	June – September All Other Hours	October – May 7am – 11pm, M-F, Non-Holiday	October – May All Other Hours	June – September, 2pm – 6pm, M-F, Non-Holiday	June – August 2pm – 6pm, M-F, Non-Holiday
Baseline						
Proposed						
Reduction						

XII. APPLICATION CHECKLIST

Please include the following items:

- Complete application (customer and payment information page, project summary page for each measure (tables VIII, IX and X) and customer acknowledgment).
- Copy of customer’s BGE electric bill.
- IRS Form W-9 completed for payment recipient (available at www.irs.gov).
- Supporting documentation to include manufacturer’s specification (cut) sheets for all baseline and proposed equipment.

BGE will process applications for payment in the order received and issue incentive payment within 6–8 weeks after project completion and approval. Applicants will be notified if post-installation inspections are required prior to final payment. **Please note that failure to provide any of the above items may delay the processing of your application.**

XIII. CUSTOMER ACKNOWLEDGMENT

By signing below, I hereby certify that all statements made on this application are correct to the best of my knowledge and that I have read and agree to the **Terms & Conditions** on page 7.

Authorized Representative (*please print*) _____ Title _____
 Signature _____ Date _____

Please note, upon completion of project, the BGE customer of record must:

- Sign and return the written pre-approval letter
- Submit detailed invoices with customer signature indicating awareness and satisfaction for each measure

For more information about the program, go to BGESmartEnergy.com or call 410.290.1202.
 Please submit for review via one of the following: Fax 410.290.0861, email Business@BGESmartEnergy.com or
 mail to: BGE Smart Energy Savers Program®, c/o ICF International, 7125 Thomas Edison Drive, Suite 100, Columbia, MD 21046.

XIV. TERMS & CONDITIONS

- 1. Eligibility:** Incentives are available to industrial, commercial, government and institutional electric service Customers for the purchase and installation of qualifying energy-savings measures in the BGE service territory. BGE reserves the right to deny any application that may result in BGE exceeding its program budget. Incentives are offered on a first- come, first-served basis and are subject to project and Customer eligibility, availability of funds and distribution of incentives across BGE Customer base. Total incentive limits per Corporate tax ID per year for all incentives (prescriptive and custom) are limited to \$1,000,000.
- 2. Approval and Verification:** Pre-approval is required for all custom projects. BGE reserves the right to pre-inspect any project prior to pre-approval. No project related energy-savings measures may be contracted for, purchased or installed prior to the date of BGE's pre-approval. Projects must be completed by the date listed on the pre-approval notification letter (within 180 calendar days of project pre-approval for retrofit projects and one (1) year of pre-approval for new construction projects). All projects that require pre-approval may also require pre-inspection. BGE reserves the right to verify sales transactions and to have reasonable access to your facility to inspect the energy-savings measures installed under this initiative, prior to issuing incentives, or at a later time. BGE reserves the right, for any reasons, to stop pre-approving energy-savings measures at any time without notice. In particular, BGE is not obligated to pre-approve any application for an incentive that may result in BGE exceeding its program budget. BGE reserves the right to exclude any proposed energy saving measures based on engineering analysis.
- 3. Proof of Purchase:** This application must have complete information and be submitted with an invoice itemizing the new equipment purchased. The invoice must indicate the date of purchase, the size, type, make, model, serial number, part number and/or equipment manufacturer specification sheets. The signed application must be returned to ICF International, 7125 Thomas Edison Dr., Suite #100, Columbia, MD 21046.
- 4. Compliance:** All projects must comply with all federal, state and local codes. All equipment must be new. Used or rebuilt equipment is not eligible for incentives. Existing equipment must be removed and disposed of in a proper and legal manner. BGE encourages that equipment is disposed of and/or recycled in an environmentally friendly manner. Existing equipment must meet specification requirements and be purchased and operating prior to submitting the application form. Only one incentive will be granted for each project. Incentives granted to contractors, distributors or other market providers cannot also be claimed by end-use Customers.
- 5. Payment:** BGE will authorize payment upon the application's review and approval. The incentive check will be mailed 6–8 weeks after the project's completion and payment approval. Incomplete applications will be returned. The Customer may assign the incentive payment to a qualified contractor (if allowed). The benefits/payments conferred upon the Customer or their designated contractor through participation in this program may be taxable by the federal, state and local government. The Customer or its designated contractor is responsible for declaring and paying all such taxes. The party receiving the incentive payment (Customer or Contractor) must complete IRS Form W-9 and submit it to BGE with the incentive application materials.
- 6. Inspection:** BGE staff or its representatives may conduct an inspection of the facility to survey the installed projects.
- 7. Publicity:** BGE reserves the right to publicize your participation in this program.
- 8. BGE/Program Logo:** Customers or market providers may not use the BGE or Program name or logo in any marketing, advertising or promotional materials without BGE's prior written permission.
- 9. Disclaimers:** BGE does not endorse any particular market provider, manufacturer, product, labor or system design by offering this program; will not be responsible for any tax liability imposed on a Customer as a result of the payment of incentives; does not expressly or implicitly warrant the performance of installed equipment or contractor's quality of work (contact your contractor for detailed warranties); is not responsible for proper and legal disposal/recycling of any waste generated as a result of this project; and is not liable for any damage caused by the installation of the equipment or for any damage caused by the malfunction of the installed equipment.
- 10. Verification:** Any Customer receiving an incentive check may be contacted by an evaluator to verify service/equipment installation or be asked to complete a written, oral or electronic Customer survey.
- 11. Application Does Not Entitle Customer to Participate:** The program described in this application may be altered, suspended or canceled by BGE at any time without prior notice. Under such circumstances, the Customer is not entitled to any program benefits in excess of those approved prior to such action by BGE. Submission of a completed application does not entitle the Customer to program participation. Entitlement to program participation can only occur after BGE has signed a copy of the application and granted pre-approval if required by BGE.
- 12. Removal of Equipment:** The Customer agrees, as a condition of participation in the program, to remove and dispose of the equipment being replaced by the energy-savings measures in accordance with all legal requirements. The Customer agrees to not install any of this equipment in the BGE service territory. If the installed equipment is replaced within three years, the Customer is expected to replace the equipment with equal or more efficient equipment.
- 13. Evaluation Follow-up Visits:** The Customer agrees, for a period of three (3) years after the final incentive payment, to allow BGE or its assigned contractor to conduct on-site inspections to verify that the qualified measures are installed and to conduct other measurement and verification activities to assess the amount of energy savings achieved. Such activities may require the installation of energy monitoring equipment.
- 14. Changes to the Program:** BGE may change the program and the Terms & Conditions at any time without notice. Pre-approved applications, however, will be processed to completion under the Terms & Conditions in effect at the time of the pre-approval by BGE.
- 15. No Warranties:** BGE does not endorse, guarantee or warrant any particular manufacturer or product, and BGE provides no warranties, expressed or implied, for any products or services. The Customer's reliance on warranties is limited to any warranties that may arise from, or be provided by contractors, vendors, etc. The Customer acknowledges that neither BGE nor any of its consultants are responsible for assuring the design, engineering and construction of the Facility, or that the installation of the energy-savings measures is proper or complies with any particular laws (including patent laws), codes or industry standards. BGE DOES NOT MAKE ANY REPRESENTATIONS OF ANY KIND REGARDING THE RESULTS TO BE ACHIEVED BY THE ENERGY-SAVINGS MEASURES OR THE ADEQUACY OR SAFETY OF SUCH MEASURES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- 16. Limitation of Liability:** BGE's sole liability is limited to paying the properly qualified rebates specified herein. Neither BGE nor any of its affiliates shall be liable to the Customer or any other party for any indirect, consequential or incidental damages, regardless of the theory of recovery, caused by or arising from any activities associated with this program.
- 17. Vendor Selection:** BGE acknowledges that the Customer may select any vendor or contractor to perform the work contemplated by this Application, even after the Application is submitted for pre-approval by BGE. Notwithstanding the foregoing, the Customer acknowledges that BGE has the right to prohibit specific vendors or contractors from program participation for any reason or no reason.
- 18. Obligations Between the Parties:** Customer acknowledges that any contractor selected by the Customer is not an agent, contractor or subcontractor of BGE. BGE shall have no obligation to maintain, remove or perform any work whatsoever on the energy-savings measures installed. BGE shall have no liability for contractor's failure to perform, for failure of the energy-savings measures to function, for any damage to the Customer's premises caused by the contractor or for any and all damages to property or injuries to persons caused by the energy-savings measures.
- 19. Energy Benefits:** BGE is entitled to 100% of the energy benefits associated with the energy-savings measures, excluding the value of energy cost savings realized by the Customer, but including all rights to all associated PJM Energy, Capacity and Reserves Products, and the Customer agrees to provide BGE with such further documentation as BGE may request to confirm its ownership of such benefits and products.
- 20. Customer's Certification:** Customer certifies that he/she has purchased and installed the equipment listed above at the defined location. Customer agrees that all information is true and that he/she has conformed to all program and equipment requirements listed. Customer has verified that the units listed above have been installed correctly. Customer or Customer's representative has been instructed on how to operate and maintain this equipment and has received all necessary operation and maintenance manuals.