

# Custom Performance Program

## TERMS AND CONDITIONS

1. Funding for the Custom Performance Program ("CPP" or "Program") of the Los Angeles Department of Water and Power (LADWP) is limited and is available on a first come, first served basis until funds are exhausted. Incentive payments are not guaranteed. The total combined incentives and grants for a project cannot exceed the total cost of the project.

***CPP may be modified, suspended, or terminated without notice.***

2. CPP participants and projects must meet the following requirements and guidelines to be eligible for CPP incentives:
  - a. Participant must be an active LADWP non-residential electric customer in good standing
  - b. Project must be located within LADWP's service territory
  - c. Projects will be evaluated using the calculated approach, and/or other procedures determined solely by LADWP
  - d. Projects must meet or exceed the current industry standards using LADWP approved project baselines
  - e. Projects must meet all other CPP requirements as specified in the program application
3. "Customer" is LADWP's customer of record. "Authorized Customer Representative" is any third party designated in writing by the Customer to act on their behalf. "Program Manager" is the LADWP assigned program administrator.
4. Only the Customer or Authorized Customer Representative may submit applications.

Applicant understands that submission of a signed CPP application constitutes acceptance of the Terms and Conditions of CPP and adherence to CPP policies and procedures. Applicant further understands that submission of application package does not guarantee participation, nor is it a guarantee of funding availability.

Applicants to the Program must have authority to contract, and be authorized on behalf of the legal owner of the project site, to implement/install energy efficiency measures. The Applicant's signature on the application indicates such permission has been obtained. This permission also allows LADWP and/or its agents or contractors to carry out CPP-related services and/or activities at the project site.

The CPP application package may be mailed to:

**LADWP NON-RESIDENTIAL PROGRAMS  
ATTN: CUSTOM PERFORMANCE PROGRAM  
111 N. HOPE ST., JFB Room 1057  
LOS ANGELES, CA 90012-2607**

The CPP application package may also be e-mailed to [custom@ladwp.com](mailto:custom@ladwp.com).

***LADWP is not responsible for CPP applications and/or documents sent to LADWP that are not received, lost, or destroyed in transit.***

5. Prior to installation and/or implementation of measures, a completed and signed application along with supporting documents must be submitted and pre-inspection completed. Funds will be reserved only upon LADWP approval of the application.

***Incomplete applications and applications submitted without the requisite supporting documents will not be processed or approved.***

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6. The applicant is responsible for meeting all program requirements and for compliance with state/county/city governments, property owner and/or homeowner's association regarding local conditions, restrictions, codes, ordinances, rules and regulations prior to installation. Applicant shall obtain any permits required and provide them to LADWP upon request.
7. Applicants are responsible for ensuring that LADWP and/or its agents have reasonable access to its facilities for the purpose of carrying out CPP-related services and/or activities, including but not limited to:
  - a. Pre-installation equipment inspection to examine the existing/baseline equipment and to check the accuracy of the Customer's/Authorized Customer Representative's information on existing equipment as listed in the application, energy model, and/or input forms
  - b. Post-installation equipment inspection to check installed equipment and verify the accuracy of the Customer's/Authorized Customer Representative's information on proposed equipment as listed in the application, energy model, and/or input forms
  - c. Third Party Evaluation, Measurement and Verification (EM&V)
8. Estimated incentive amounts noted in the CPP Workbook cannot be guaranteed, and may be adjusted based on post-inspection and post trend data verification and may also be subject to change, if any project-related information is found to be inaccurate, incomplete, or if the project scope changes at any time before the final project review and incentive payment is made by LADWP.
9. Funds will be reserved for 12 months from the date of the Offer Letter. Projects not completed within 12 months of the LADWP pre-approval may be cancelled and reserved rebates returned to the program fund.
10. The selection of contractor, engineering firm, vendor, installer, manufacturer, dealer, purchase of materials, work performed and payment thereof is the sole responsibility of the Customer/Authorized Customer Representative. Customer/Authorized Customer Representative waives any claims against LADWP arising out of the installation and/or use of the energy efficient product. LADWP does not endorse, recommend, or guarantee the services, work, materials, products, workmanship, or financial stability of any contractor, engineering firm, vendor, auditor, installer, manufacturer, dealer, or any other party. LADWP will have no role in resolving any disputes between the Customer, contractor, engineering firm, vendor, installer, manufacturer, and/or any other third parties.
11. All equipment installed must be new. Used, rebuilt, or refurbished equipment is not eligible for incentives with exception to retro-commissioning and process changes, subject to review by the Program Manager, on a case by case basis.
12. Customer understands the rebate payments are based on related energy benefits over the life of the product. Customer agrees that if (a) Customer does not provide the Los Angeles Department of Water and Power with 100% of the related energy benefits specified in the rebate form for the life of the product or for a period of five (5) years from receipt of rebate, whichever is less, or (b) Customer ceases to be a customer of LADWP during said time period, Customer shall refund a prorated amount of rebate dollars to LADWP based on the actual period of time for which Customer provided the related energy benefits as an electric customer of LADWP.
13. LADWP retains the sole discretion in determining the appropriate values used to calculate the incentive payment amounts. This includes review and analysis of the energy model, inspection findings, and if applicable, measurement and verification data. Incentive payments shall only be paid on rebate measures that meet or exceed program requirements when the application is approved. LADWP reserves the right to modify or cancel the incentive amount if the actual measures installed differ from the measures indicated in Customer's approved application(s). The CPP incentive payments will be paid after the final approval of the project.

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14. CPP incentive payments shall be based on the rebate rates/schedules in effect at the time the completed CPP application is approved by LADWP. With the exception of lighting measures, the total incentive payment is capped at 75% of the total measure costs, calculated on a per project basis. For lighting measures, the incentive amount cannot exceed 100% of the project costs directly related to the lighting installation, calculated on a per project basis. CPP rebate rates/schedules may change without prior notification.

***Savings are based on annualized energy savings as determined by LADWP in accordance with International Performance Measurement & Verification Protocol.***

15. As a condition of payment, Customer/Authorized Customer Representative shall submit to LADWP the documents described below. Required documents include but are not limited to:
- Completed and signed application
  - Complete energy model or engineering calculations to demonstrate energy savings and documentation, if available (including electronic copy of energy model or calculations)
  - Completed CPP Workbook
  - Schematic drawings and/or manufacturer specification sheets, if applicable
  - Invoices and/or documentation to support installation costs
  - Completed and signed CPP Program Agreement
  - Completed and signed CPP Installation Report
  - Completed and signed IRS Form W-9
  - CPP Payment Assignment Form, if applicable
  - Additional project-specific documents as requested by LADWP
16. Applications for lighting measures will be accepted only when submitted in conjunction with another non-lighting CPP-qualified measure. The CPP-qualified measure must achieve a minimum of 100,000 kWh in energy savings. Both the CPP-qualified and lighting measure must be applied for and completed simultaneously. Failure to complete the CPP-qualified measure will render the lighting measure ineligible for payment.
17. All costs, materials and labor, will be reviewed for reasonableness by the Program Manager referencing RS Means cost estimates. Only reasonable costs incurred for the implementation of the prescribed measures will be approved for payment by the program.
18. Incentives are taxable, and if cumulatively greater than \$600, will be reported to the IRS. LADWP is not responsible for any taxes that may be imposed on a party as a result of the receipt of this incentive payment
19. LADWP's and/or its consultants' review of the design, construction, operation or maintenance of the project or energy efficiency measures (EEMs) shall not constitute any representation as to the economic or technical feasibility, operational capability, or reliability of the project EEMs, nor shall the Customer/Authorized Customer Representative, in any way, make such a representation to a third party. Customer/ Authorized Customer Representative and contractor/engineering firm/vendor/installer is solely responsible for the economic and technical feasibility, operational capability and reliability of project, EEMs. LADWP makes no warranty, whether statutory, expressed or implied, of merchantability or fitness of EEMs for any particular purpose.
20. The selection, purchase, and ownership of products and equipment are the Customer's/ Authorized Customer Representative's responsibility and LADWP does not endorse or recommend any particular product, equipment manufacturer, installer or system design. LADWP makes no warranty, expressed or implied, of merchantability or fitness for any particular purpose, use or application of products and equipment. LADWP makes no representations as to safety, reliability, and/or efficiency of the equipment selected or any of the components thereof and the Customer/Authorized Customer Representative waives any claim against LADWP for any reason whatsoever arising out of the implementation of the EEMs.

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21. Customer/Authorized Customer Representative/Contractor shall, at their own expense, obtain and maintain all licenses and permits required by federal, state, local, or other governing agency, at their own expense. Any failure by the Customer/Authorized Customer Representative/ Contractor to obtain and/or maintain the necessary licenses and permits constitutes a material breach of contract under the Program.
22. The Customer/Authorized Customer Representative shall not use LADWP'S corporate name, trademark, trade name, logo, identity or any affiliation for any reason, without LADWP'S prior written consent. The Customer/Authorized Customer Representative shall make no representations on behalf of LADWP
23. Disclaimer: The Customer/Authorized Customer Representative understands that LADWP makes no representation or warranty regarding manufacturers, dealers, contractors, materials or workmanship for any project work performed. The Customer/Authorized Customer Representative also understands that LADWP makes no warranty whether expressed or implied, including without limitation the implied warranties of merchantability and fitness for any particular purpose, use, or application of the products or measures.

Limitation of Liability: LADWP shall not be liable for any loss, claim, damage, or injury of any nature whatsoever including consequential, incidental, or indirect damages regardless of the theory of liability, tort, warranty, or breach arising from or related to any project work performed.

24. LADWP shall not be liable for any special, incidental, indirect, or consequential damages, including without limitation, loss of profits or commitments to subcontractors, and any special, incidental, indirect or consequential damages incurred by the Customer/Authorized Customer Representative.
25. In circumstances where a customer is adding new load to their facility, energy savings calculations will be based on Title 24 building code or industry standard.
26. While LADWP retains sole discretion to determine appropriate baseline values and energy savings, the Customer/Authorized Customer Representative may challenge LADWP energy savings estimates. To challenge LADWP energy savings estimates, the Customer/Authorized Customer Representative must, at their own expense, submit a Measurement & Verification (M&V) plan. The M&V approach must conform to one of the four M&V options as outlined in the International Performance Measurement & Verification Protocol (IPMVP) as documented in the International Performance Measurement & Verification Protocol "Concepts and Options for Determining Energy and Water Savings Volume One," available electronically at <http://www.evo-world.org>. The M&V plan must be submitted to and approved by the LADWP prior to commencement of any measurement and verification work. The results of the M&V are considered final. Should the M&V findings be determined to be lower than the initial estimated savings amount, the Customer/Authorized Customer Representative cannot revert back to the original savings value.
27. Selection of IPMVP Measurement and Verification (M&V) Option C Whole-Building Metering requires the Customer/Authorized Customer Representative to submit the project's M&V plan for LADWP's approval prior to installation and the commencement of any work. This option is available only for facilities that have an AMI meter, using monthly billing for whole building metering analysis will not be allowed. A minimum measurement period of one year before (pre) and after (post) installation is required for this M&V option. The results of the M&V are considered final.
28. For thermal energy storage (TES), retrocommissioning (RCx), industrial process and high impact projects whose estimated incentive exceeds \$150,000, LADWP will pay 50% of the recommended cash incentive to the customer of record or designated payee upon installation of the energy efficiency measure(s) and only after all requirements are met by the Customer to LADWP's satisfaction. The remaining 50% of incentives will be paid after successful commissioning and measurement verification is conducted after a maximum of twelve (12) months of operation.
29. By applying for an LADWP incentive and/or program, personal information provided may be subject to public disclosure by requesting parties, pursuant to the California Public Records Act.

Questions? Visit [www.ladwp.com/custom](http://www.ladwp.com/custom) or contact the CPP Program Manager at (213)367-3436.