

OG&E Arkansas Large Commercial and Industrial Efficiency Program Manual

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PROGRAM OVERVIEW

Program Description

The Large Commercial and Industrial Program (Large C&I) is offered to business institutions and public or private entities that are customers of Oklahoma Gas & Electric Company in the Arkansas service territory (OG&E). Designed to help facility supervisors who want to operate facilities more efficiently, the Large C&I Program (Program) outlines the technical and financial benefits of investing in energy efficiency and developing a plan to make energy efficiency improvements to facilities. By enrolling in the Program, an OG&E customer will be referred to as a Program Participant (Participant) and receive technical and energy-related assistance to help make decisions about cost-effective investments in facility energy efficiency.

Under this Program, Participants are eligible for financial incentives connected to a variety of energy efficient measures. Additional benefits that may be available include energy audits, technical assistance and communications support. In general, the Program does not prescribe technologies or end-uses to Participants, but instead provides a framework through which Participants can receive incentives for implementing and installing a wide range of measures at your sites.

Program Objectives

The Program is designed to drive cost-effective energy efficiency in the marketplace while minimizing the impact of market barriers to implementation of energy efficiency. Some objectives are inherent to transforming the energy efficiency market, while others are benefits that are offered to facilities and facility management. The Large C&I Program is designed to:

- Overcome barriers that hinder the implementation of energy efficiency projects.
- Provide energy efficiency information and enhance awareness of energy and non-energy benefits.
- Ease budget constraints that typically rule out energy efficient technologies and associated higher “first costs.”
- Improve Participant’s understanding about potential payback for installed energy efficiency projects.
- Enhance awareness of, and technical assistance for, energy-efficient technologies.
- Help customers address energy efficiency at all major end-uses.
- Address Participant needs to avoid any lost opportunities within the facility.
- Promote cost-effective energy efficiency projects that maximize the net benefit to both customers and OG&E.
- Accumulate a list of qualified vendors and installers (Trade Allies) participating in the Program to facilitate access by Participants to such resources.
- Provide adequate evaluation, measurement and verification (EM&V) resources to support the implementation of energy efficiency projects.
- Transform the market through training, education and the implementation of the Program to make energy efficiency a primary consideration for customers.
- Identify and support the implementation of cost-effective and comprehensive energy savings projects for OG&E customers to meet annual energy savings goals.
- Leverage cash incentives to assist in implementing cost-effective projects under the Program.
- Develop a strategic plan for the implementation of multiple phased projects.

PROGRAM MANAGEMENT & CONTACT

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PROGRAM ROLES & RESPONSIBILITIES

Program Sponsor: OG&E Arkansas

Website: www.OG&E.com

- Provides all funding for the energy efficiency Program and the Program incentives.
- Manages the energy efficiency programs and oversees implementation.

Program Implementer: CLEARResult Consulting, Inc.

- Performs outreach and education about the energy efficiency Program.
- Provides energy efficiency assistance to Program Participants at no cost.
- Assists Program Participants and Trade Allies with Program documentation.
- Performs all required on-site inspections and documentation.
- Provides calculations on energy savings potential for identified projects.
- Assists in evaluation of financial metrics for energy efficiency projects (payback, ROI, etc.).
- Processes and delivers incentive checks for successful projects.

Program Participant: OG&E Arkansas Customer

To participate in the Program, Participants must:

- Execute the *Participant Agreement* (see Appendix A).
- Contact the Program Implementer to schedule a facility assessment.
- Submit a *Project Application* (see Appendix B) to reserve incentives for qualifying energy efficiency projects.
- Exert best efforts to approve, fund, install and report projects before the end of Program year.
- Contact the Program Implementer when projects are completed and allow staff to perform a post-inspection.
- Provide access to Program Implementer and Evaluator staff to facilities before and after project completion for inspection of the baseline and post-retrofit condition as required.

Trade Ally: Qualified Industry Contractor

To participate in the Program as a Trade Ally, the Trade Ally must:

- Execute the *Trade Ally Agreement* (see Appendix C).
- Complete required training and adhere to Program guidelines set out in this Program Manual.
- Provide verification of adequate insurance coverage.

- Work with Program implementation staff to take advantage of Program marketing materials and technical assistance.
- When developing a possible energy efficiency project, work with Program implementation staff to verify customer eligibility and assist in the development of project scope for the identified energy efficiency measures for which the Trade Ally may be responsible.
- Share with Program staff adequate project information on proposed projects to allow the calculation of energy savings and incentives for the Program Participant.
- Review the pre-inspection data and confirm that Program Implementer has included the proposed project scope correctly in that communication.
- Install eligible energy efficiency measures and submit appropriate documentation as requested by Program Implementer.
- Perform all work to the required standards of the Program.

Program Evaluator: ADM Associates, Inc.

- Provides oversight of Program implementation to verify that savings claimed in the Program are correct, valid and adequately documented.
- May perform post-retrofit on-site inspections, measurements or phone conversations to collect data for Program savings verification.
- Provides updates to Program calculation methodologies through annual Technical Reference Manual (TRM) updates.
- Surveys Program Participants to determine if Program implementation is meeting their needs and expectations.
- Surveys customers to determine if Program outreach is adequately informing the market of the energy efficiency Program opportunities.

PROGRAM ELIGIBILITY

Participant Eligibility

Except for schools and government facilities, any local public or private entity or commercial customer that receives retail electric service from OG&E Arkansas is eligible for the Large C&I Program.

Organizations with multiple locations are thereby considered a single customer, regardless of how many OG&E account numbers they may have. However, projects will be separated by utility account number for reporting purposes to OG&E.

Trade Ally Participation and Eligibility

Trade Allies are members of various trades that meet all Program qualifications and standards. Trade Allies are eligible to participate in the Program and may have their company name on a list of approved Trade Allies that may be given to you. Trade Allies may continue to participate in the Program if they remain in compliance with all Program requirements.

To participate, Trade Allies must sign a *Trade Ally Agreement* and receive training as required by the Program guidelines. Additional training will be provided as needed to ensure the proficiency of the Trade Ally. The level of Trade Ally participation (Example: number and type of completed projects in which the Trade Ally has been involved) may be included on the Trade Ally list for you to consider in selecting appropriate Trade Allies for your projects. Details on the training, tools and performance are listed below:

Technical Requirements for the Trade Ally include:

- Understanding of basic building science principles.
- Completion of Program-required best practices training.
- Experience installing the measures recommended.

Tools Required for Trade Ally:

- Participating Trade Allies own, use and maintain all tools used so that all materials may be installed to manufacturer specifications.

Quality Performance Requirements for Trade Ally:

The Trade Ally, upon request from the Program Implementer, and at no additional cost to the Participant, shall make reasonable repairs or corrections to work that the Trade Ally has performed to bring such work up to the Program standards. The repairs or corrections are to be completed within the timeframe specified by the Program Implementer. The Trade Ally also agrees to take steps to ensure that future work will comply with the Program standards.

Trade Ally Documentation Confidentiality

Trade Allies should note that this Program is in place to drive energy efficiency in the OG&E service territory. Any Program documentation collected for a proposed project within the OG&E programs will be treated with care and will not be shared with anyone except the Program Participant for whom it was developed. All information submitted is considered the property of the Program Participant and will be shared with that Customer upon request unless that documentation is clearly labeled as CONFIDENTIAL on each page of the documentation. All confidential information so labeled will be verified with the provider prior to sharing with the Program Participant.

PROGRAM INCENTIVES AND MEASURES

Incentives by Measure

A measure, for the purposes of calculating incentives, is a single proposed energy efficiency improvement, at either a single facility or multiple facilities. A project is a planned set of measures for a single Participant (at either a single facility or multiple facilities) as listed on the *Project Application*. Both new construction and retrofit projects are eligible for incentives under this Program.

All measures within a project must be confirmed in a pre-installation inspection by the Program Implementer of Sponsor and meet the following requirements:

- Must result in a measurable and verifiable reduction in energy usage (kWh) for large commercial and industrial business.
- Must produce energy savings through an increase in energy efficiency.
- Must be cost effective as defined by the Program Sponsor and the Program Implementer.
- Must exceed minimum equipment efficiency standards.
- Must not develop any savings because of fuel switching.

The incentive rates for this Program have been designed to encourage comprehensive projects at each location. Multiple incentive rates may be available depending on the type of measure to be installed. Below is a quick and easy reference guide to the varying incentive rates and the associated measures.

Deemed Savings Measures	Performance Based (\$/kWh)	Total Project Cost Cap*
PC Power Management	\$0.10	80%
Refrigeration Gaskets and Strip Curtains	\$0.12	80%
**Direct Install Measures	Full costs are covered by Program	100%
All other measures	\$0.14	80%

* If energy savings allow, incentives are capped by the total project cost.

**Direct Install measures may include, but not be limited to: low-flow aerators (when supplied by electric water heaters only), low flow pre-rinse spray valves (when supplied by electric water heaters only), low flow showerheads (when supplied by electric water heaters only), weather stripping, and door sweeps.

Measure Descriptions

Measure Type	Measure Description
Lighting Retrofit	Lighting retrofit projects replace existing lighting systems with more efficient lighting systems. A variety of high efficiency fixtures, ballasts, and lamps produce equivalent light levels as previous technologies while consuming less energy.
	There are a variety of lamp and ballast combinations that are eligible for this Program depending on the current technology installed at a facility.
Lighting Controls	Automatic lighting controls save energy by turning off or dimming lights at times when they are not necessary. Many different varieties of sensors are available including passive infrared (PIR), dual-technology, integral occupancy sensors, photocells, which can be coupled with a variety of control strategies including day lighting controls and occupancy controls timer controls.
	For certain conditions, light reduction and automatic controls are mandatory for new construction and affected retrofit projects.
Exterior Lighting	Energy saving opportunities applies to both improved lighting performance and enhanced control strategies. For example: retrofitting less efficient HID technologies with LED lighting and occupancy-based technology are good candidates for exterior applications.
HVAC Replacement	Eligible units for replacement include small split systems and single package air conditioners and heat pumps.
Chiller Replacement	Chillers are commonly used to provide cooling for a variety of building types and process loads. The most common applications are for larger cooling loads (Example: 50 to 100 tons and greater).
	This measure applies to the replacement of air-cooled and water-cooled chillers with more energy efficient chillers.
HVAC Controls	HVAC controls are eligible in OG&E programs when no other controls previously exist or where existing controls can be modified or improved to provide measurable energy savings. Controls can be installed on building HVAC systems or central plant equipment to help control common operating parameters such as temperature, humidity, chilled water temperature or other variables for more effective use of the HVAC system.
VFD Motor Drives	A Variable Frequency Drive (VFD) controls the rotational speed of an electric motor by controlling the frequency of the electrical power supplied to the motor. VFDs allow for “soft” starts and can be optimized to better match system loads, reducing stress and improving the motor life. VFDs work well when used with systems that have motors that can operate at lower speeds. The installation of VFDs that show measurable energy savings are eligible under the Program.

Improved Building Design (New Construction Only)	Incentives may be provided for structures that are built above and beyond the standards set forth in construction energy codes. These measures may be incentivized as a part of the individual measure type (lighting, lighting controls, HVAC, etc.) for the purposes of qualifying for tiered incentives and are not separate measures from retrofits of similar technology.
	For example: if a Participant is installing a lighting retrofit at one facility and is building a new facility with a qualifying lighting project, all the lighting measures are considered one lighting measure for the purposes of calculating tiered incentives.
Refrigeration	Several refrigeration measures eligible for upgrades or replacement in the Large C&I Program:
	• Evaporator fan upgrades to EC Motors.
	• Evaporator fan controls.
	• Anti-sweat heater controls.
	• Refrigerated door gaskets and strip curtains.
Direct Install	• Night covers.
	There are several measures eligible for upgrades or replacement at no cost:
	• Low flow pre-rinse spray valves (when supplied by electric water heaters only).
	• Low flow faucet aerators (when supplied by electric water heaters only).
	• Low flow shower heads (when supplied by electric water heaters only).
Personal Computer Power Management (PCPM)	• Door Sweeps.
	• Weather Stripping.
	Personal computer power management uses computer software to turn off the power or switch of the computer and monitors systems to a low-power state when inactive. This method of energy efficiency is highly attractive where a significant amount of computers exist.

Incentive Basis

Financial incentives received through the Program will be based on a project’s total annual kWh reduction as determined pursuant to this Program Manual. Savings will be calculated using one of several savings approaches. Customers must select a Trade Ally or other service provider to install the measure(s) within the project. The Program Implementer will select and implement an appropriate savings measurement and verification plan (including installing field monitoring equipment when applicable).

Customers may submit suggested measures with a suggested evaluation, measurement and verification (EM&V) approach to the Program Implementer. Any suggested approach must include adequate calculations or monitoring to justify savings as determined by the Program Implementer for the measures to be considered for incentives under this Program.

- **Deemed or Stipulated Savings:**
 - Deemed savings are standardized savings values or simple formulas for a range of measures in representative building types. This approach is suitable for a variety of projects where energy savings may be estimated to a reasonable degree of accuracy without additional EM&V. Variables such as operating hours and energy consumption of existing equipment are assumed in these cases per previously gathered field data. For example: lighting installed within the Program qualifies for a deemed savings approach, meaning that estimated energy consumption savings are determined without additional testing. Engineered savings calculations may be acceptable on a case-by-case basis subject to Program approval.
- **EM&V Option A (“Retrofit Isolation: Key Parameter Measurement”):**
 - The main aspect that affects energy use is measured, usually with data logging equipment. Example: pump VFD installation.
- **EM&V Option B (“Retrofit Isolation: All Parameter Measurement”):**

- All aspects that affect energy use are measured. Typically, the actual energy use of the system is logged. All parameters that affect energy use (such as temperature of an HVAC system or occupancy) must be measured. For example: a project where installed equipment will have substantial interactive effects may require the use of this EM&V option.
- *EM&V Option C (“Whole Facility: Bill Analysis”):*
 - When savings are expected to be more than 10 percent of the whole building’s energy use, Option C may be used. This option involves collecting at least a year’s worth of utility bills or sub-meter data for a facility. Example: Retro-commissioning of a facility, involving numerous operational and control changes that have complex interactions.
- *EM&V Option D (“Whole Facility: Calibrated Simulation”):*
 - For new construction buildings or major retrofits. Instead of measuring energy use, the facility is modeled with building modeling software like eQUEST. Example: new construction project involving numerous efficiency improvements that have complex interactions.

The methodologies for savings measurement and verification described above differ in terms of detail and rigor. Some are chosen based upon the predictability of equipment operation, availability of evaluation data from previous programs and benefits of the chosen measurement and verification approach relative to its cost. Ultimately, the Program Implementer has the discretion to choose or confirm the EM&V option that shall be utilized for the Participant’s project(s).

NON-CASH BENEFITS OF THE PROGRAM

Several non-cash benefits are available to the Participant including, but not limited to:

During an energy assessment, the participating Trade Ally or the Program Implementer will identify opportunities to install energy saving devices with Customer permission. These devices provide Customers with instant energy savings and are installed at no cost. Some of these measures are only available for installation at sites where Customers have electric water heaters. These direct install measures include, but are not limited to pre-rinse spray valves, faucet aerators, LEDs, door sweeps, and weather stripping.

Technical Support – the Program Implementer may provide technical support to help you assess and evaluate various energy efficiency upgrades to determine which projects are estimated to be optimal in terms of life-cycle costs. Once you identify potential projects, you complete and submit a *Project Application* to indicate your intention to complete a project and reserve an incentive. The Program Implementer will provide the form as well as assistance in completing the form.

Education – if Participants choose to fund their upgrades with traditional funding sources, the Large C&I Program also offers resources that could educate senior decision makers on how to leverage outside sources of funds through performance contracts, lease-purchase agreements and third-party financing.

Recognition – The Program Implementer may provide news releases and other communications support to you, which are designed to inform each community about the steps you are taking to improve the energy performance of your facilities, reduce your operating costs and to use your budget dollars more efficiently.

PARTICIPATION PROCESS

The Program is designed to encourage Trade Allies to recruit Participants from OG&E key accounts, past Program Participants and Trade Ally references. The Program Implementer will provide a *Participation Agreement* for the Participant to enroll in the Program. The Participant must sign the *Participation Agreement* to be verified as an OG&E Arkansas Customer and enrolled in the Program. Once the signed *Participation Agreement* is received and the Participant is verified, the Program Implementer will schedule pre-installation inspections on each project, as necessary and appropriate measurement and verification efforts will occur to quantify the savings of projects where EM&V is required. Once the Participant has selected the project(s) to implement and funding has been secured, the Program will help to fill out the technical sections of the *Project Application* to reserve incentive funding.

After completing the project, the Program Implementer will schedule necessary post-installation inspections and request incentives for the Participant.

Program metrics are subject to annual review based on regulatory requirements, independent evaluation, measurement and verification and other circumstances outside the control of the Program, the Program Implementer and OG&E Arkansas reporting requirements and other documentation could change based upon this review.

After completing the project and receiving incentives, the Participant may be contacted by an independent evaluator to verify information gathered by the Program or to review on-site equipment installation. Depending on when the project was completed, the Participant may be contacted by this independent third-party evaluator in the year immediately following the year of participation for the purposes of project verification and evaluation.

Project Application Process

For purposes of this Program, a project is defined by a set of proposed energy savings measures included in a single *Project Application*. Comprehensive projects that include a range of measure types are encouraged. The Participant first must execute the *Participant Agreement* (see Appendix A) to initiate the process. Ultimately, a *Project Application* will be completed by the Program for review and approval to move forward with the project(s). The *Project Application* is completed, executed and sent to the Program Implementer for final approval and reservation of incentive funding.

All projects must pass a cost-effectiveness test to be eligible for incentives. To evaluate this, all project costs must be submitted to the Program Implementer before incentive funding can be applied for and reserved. This includes the cost of the equipment and its installation.

Incentive Reservation/Application Process

Upon receipt of a signed *Project Application*, the Program Implementer will review the application for completeness and eligibility then send notice stating that incentive funding has been reserved for the project(s). The Program Implementer will contact the Participant to schedule a pre-installation inspection of facilities, as needed, for purposes of confirming the information that is submitted in the *Project Application*. The anticipated project completion date must be communicated to the Program Implementer, which will provide adequate time for final project verification and post-installation inspection prior to receiving the incentive payment. The completion date of a project should not extend beyond December 10th of the current Program year unless approved in writing by the Program Implementer. If oversubscription to the Program should arise, Participant projects will be placed on a

waiting list in the order of when the *Project Application* was received.

Participant projects on the waiting list may be funded in the current Program year if other projects for which funding were reserved are cancelled or funds become available. Projects on the waiting list may be selected by the Program Implementer for funding in any manner that benefits the Program or meets statutory requirements.

Projects completed but not funded in a Program year are eligible to reserve funding for the following Program year. Typically, carry-over projects are given 1st priority for funding in the new Program year.

Incentive Payment Process

Deemed savings projects: Participants may receive an incentive payment representing 100 percent of the final calculated incentive amount set forth in the confirmed *Project Application* after the project(s) are installed, documented and verified. Participants are encouraged to contact the Program Implementer prior to installation of additional measures not identified in pre-installation inspections to determine whether additional funds may be available. Incentive funds exceeding the estimated amount may be paid based on final calculated savings only if the Program is not fully subscribed at the time of project completion.

EM&V projects: Participants will initially receive 40 percent of the total estimated incentive amount set forth in the confirmed *Project Application* after the project(s) are installed, documented, and verified. The remaining balance of the incentive will be calculated based on the final EM&V report and will be paid once the EM&V efforts are complete. To the extent that additional measures are installed that were not identified in the application and confirmed by the pre-installation inspection, Participants may be eligible for additional incentive funds. Participants are encouraged to contact the Program Implementer prior to installation of such additional measures to determine whether additional funds may be available. Incentive funds exceeding the estimated amount will be paid based on final calculated savings only if the Program is not fully subscribed at the time of project completion.

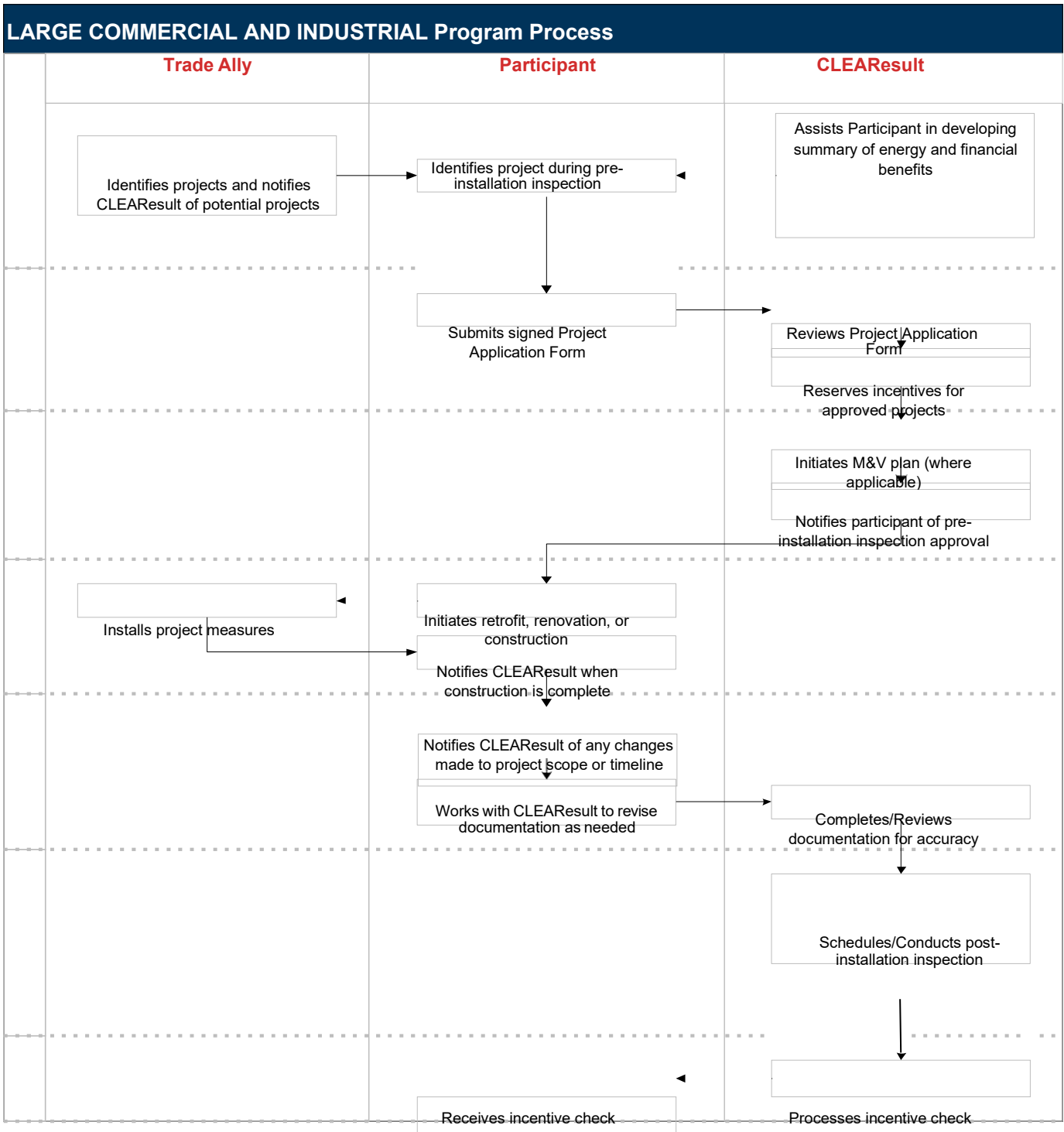
Limits on Participation

To ensure incentives are available for multiple projects, you and your affiliates may not receive more than 25 percent of the OG&E Commercial Energy Efficiency Program (CEEP) incentives budget in a single Program year. Large projects that may exceed the 25 percent of CEEP budget per Program year cap should be planned in phases.

Large project work must be completed in a single program year and all required documents received by the program team. However, incentive payments may be split into an initial 60% of the total incentive in the current program year and 40% in the following program year. When possible, higher percentages of initial payments may be made when doing so does not jeopardize the intent of the program. Split payments may be necessary to ensure multiple projects for multiple customers are paid in a single program year.

If the Program is not fully subscribed by July 1st of the current Program year, the Program Implementer may waive the cap to ensure the Program is fully subscribed. See the figure below for more details on the Program process, which does not include the third-party Evaluation, Measurement & Verification. The Program process flow chart below illustrates contact points and responsibilities of each party involved in the process.

Program Process



QUALITY MANAGEMENT PROCESS (QAQC)

Quality Assurance (QA)

<p>Program Process Trainings (QA)</p>	<p>Trade Allies that choose to participate in the Program will attend training that explains the Program process and technical aspects of participation. Where the installing contractor has chosen not to participate as a Trade Ally in the Program, the Program Implementer will work with Participants to ensure that all steps are taken to receive an incentive.</p>
<p>Application Review (QA)</p>	<p>Incomplete <i>Project Applications</i> will be rejected and sent back to the Participant for completion. A project may not receive a reservation of incentive funding notice until the <i>Project Application</i> is completed appropriately and confirmed by the Program Implementer.</p>

Quality Control (QC)

<p>Post-Installation Inspections (QC)</p>	<p>Completed projects will be subject to a pre- and post-installation inspection. If the project fails installation inspection, additional inspections will be conducted to determine whether there is reasonable assurance that the project has been documented and that the actual savings can be verified. Adjustments to the <i>Project Application</i> may be required. Depending on the discrepancies found, the incentive amount may increase or decrease. Depending on the discrepancies found, the incentive amount may be adjusted.</p>
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ADDITIONAL NOTICES AND DISCLAIMERS

OG&E Arkansas and CLEAResult

The selection of a Trade Ally to perform work is the sole decision of the property owner, customer or authorized lessee/occupant. Although a list of approved Trade Allies is prepared in connection with this Program, inclusion of a contractor in the approved Trade Ally list for the Program does not constitute an endorsement by OG&E or CLEAResult of any product, individual or company.

Work performed by Trade Ally is not guaranteed or subject to any representation or warranty either expressed or implied or otherwise by either OG&E or CLEAResult. Neither OG&E nor CLEAResult makes any guarantee or any other representation or warranty, expressed or implied or otherwise, as to the quality, cost, or effectiveness of any product(s) provided or work(s) performed by any Trade Ally by any such Trade Ally's employees, subcontractors or suppliers

Energy efficiency gains are subject to several variable conditions and circumstances. While it is the intent of the Program to achieve energy efficiencies at your facilities neither OG&E nor CLEAResult

guarantees or warrants that any specific energy efficiency gains will be achieved for a customer under the Program.

Participating Trade Allies

Each Participating Trade Ally shall, to the fullest extent allowed by applicable law, indemnify, protect and hold harmless CLEAResult, OG&E, their affiliates, their contractors and each of their officers, directors, control persons, employees, agents and representatives (all of the foregoing being herein referred to, individually and collectively, as the “Indemnities”) from and against any and all losses, damages, claims, liabilities, costs and expenses (including attorney’s fees) that may be imposed on, incurred by, or asserted against the Indemnities or any of them by any party or parties (including, without limitation, a governmental entity), caused by, arising from, relating to or in connection with, in whole or in part, directly or indirectly: (a) such participating Trade Ally’s breach of any provision of its Trade Ally Agreement (b) such participating Trade Ally’s act or omission that results directly or indirectly in any property damage, personal injury or death in connection with the performance of any work by such participating Trade Ally, (c) any violation of law by such participating Trade Ally or (d) the treatment, storage, disposal, handling, transportation, release, spillage or leakage by such participating Trade Ally of any hazardous substance in any form. **THIS INDEMNITY SHALL APPLY EVEN IN THE EVENT OF THE CONCURRENT NEGLIGENCE, ACTIVE OR PASSIVE, OF ANY OR ALL INDEMNITEES.** Indemnities, respectively, at their option exercisable by written notice to such participating Trade Ally, may require such participating Trade Ally to defend any or all suits or claims concerning the foregoing.

DEFINITIONS

Custom Measure: An energy efficiency measure that does not have a prescriptive calculation methodology. This type of measure requires evaluation, measurement and verification to accurately quantify demand and energy savings.

EE: Energy Efficiency

EM&V: Evaluation, measurement and verification

Facility Assessment: A preliminary facility walkthrough performed by Program Implementer or a Trade Ally to determine energy savings opportunities. An assessment does not necessarily provide adequate inspection documentation and additional on-site verification may be required for identified energy efficiency projects.

Incentive: A one-time payment to the Participant (or a designated assignee) for energy efficiency projects completed through the Program.

Incentive Rate: A defined value of incentive dollars on a per unit basis to calculate total incentive.

kW: The abbreviation for kilowatt (equal to 1,000 watts), which is the unit of measurement for electrical demand or power.

kWh: The abbreviation for kilowatt-hour, which is the unit of measurement for electrical energy use. One kWh is the amount of energy consumed using one kW for one hour.

Measure: A single proposed energy efficiency improvement, at either a single facility or multiple facilities.

Measurement and Verification: A process of observation and measurements that establish energy use of a proposed energy efficiency measure for both pre-retrofit and post-retrofit conditions that allows the calculation of energy savings. This process may also require gathering data on correlating factors for a specific system or facility, such as production, occupancy, operating hours, or similar metrics.

Participant: Any non-residential, non-school, or non-government OG&E Arkansas customer that has enrolled in the energy efficiency programs who will exert best efforts to approve, fund, and install projects during the Program year.

Participation Agreement: A document that once submitted by the Participant will enroll them into the OG&E Arkansas Programs, allow Program Implementer to verify eligibility, and permit appropriate Program follow-up.

Pre-Installation Inspection: A facility walkthrough performed by Program Implementer prior to implementation of energy efficiency projects to verify and document proposed or identified energy efficiency upgrades within a Participant's facility.

Prescriptive Measure: An energy efficiency measure that has a prescriptive calculation methodology, given in the Arkansas TRM (Technical Reference Manual). This type of measure does not require measurement and verification.

Post-Installation Inspection: A facility walkthrough performed by Program Implementer or Program Evaluators after implementation of energy efficiency projects to verify and document proposed or identified energy efficiency upgrades within a Participant's facility.

Program Evaluator: An independent party that reviews the documentation and calculations completed by the Program Implementer and provides technical guidance on the Program.

Program Implementer: Technical and administrative consultants hired by the Program Sponsor to operate the energy efficiency programs.

Program Sponsor: The electric utility funding and operating an energy efficiency program.

Project: A planned set of energy efficiency measures for a single Participant (at either a single facility or multiple facilities) as proposed by Program Implementer or a Trade Ally.

Project Application: A document provided by the Program Implementer and executed by the Participant that outlines the proposed energy efficiency measures, the estimated savings, and the project incentive. Approval of a project recorded on this form by the Program Implementer will reserve the listed incentive for the Participant.

Tier: A unique measure (or combination of measures) that when evaluated for an energy efficiency project, may provide enhanced incentive rates for comprehensive projects.

Trade Ally: A contractor, supplier, or industry professional seeking to adapt their business model to utilize the energy efficiency programs to promote energy efficiency projects.

FREQUENTLY ASKED QUESTIONS (FAQS)

What is the Large Commercial and Industrial Program?

The Large Commercial and Industrial Program is designed for local public entities that receive retail electric service in the OG&E Arkansas territory. The Program helps senior managers and facility managers operate buildings more efficiently by understanding the technical and financial benefits of investing in energy efficiency and developing a plan to make energy efficiency improvements.

Who is Eligible for the Large Commercial and Industrial Program?

Any local public entity customer receiving retail electric service from OG&E Arkansas is eligible for the Large Commercial and Industrial Program whose facilities are not considered residential, owned/operated by a school or owned/operated by a government. A customer is defined by a single Tax ID number. Multiple locations of an organization are considered a single customer, regardless of how many OG&E Arkansas account numbers they may have.

How Does a Customer Enroll to Participate in the Program?

To join the Large Commercial and Industrial Program, the participating local public entity signs a *Participation Agreement*. The *Participation Agreement* describes Program commitments required of the Participant, which includes agreement to the conditions and processes set forth in the Program Manual. The Program Implementer will contact Participants who submit the *Participant Agreement* to provide the Participant with details on Program participation, benefits, and requirements and to begin the Program process.

Who Decides What Energy Efficiency Technologies to Install or Who is to Install Them?

The Participant is the sole determinant for what energy efficiency measures are implemented and how they are implemented. The Program does not provide installation of energy efficiency measures and is neutral on whether the work is performed by a customer's employees or by a Trade Ally.

How are Energy Efficiency Opportunities Determined?

The Program Implementer, Program Sponsor or Trade Ally will perform a project pre-inspection that will identify potential upgrade measures that may be funded by the Program. The Participant will determine which energy efficiency measures are implemented.

How Much Time Should I Expect to Invest in the Program?

The amount of time Participants are engaged in the Program is directly related to the benefit Participants realize. It is expected that 30-50 hours on average are spent by Participants over the course of a year.

What are the Incentives?

Non-cash benefits, such as energy measure identification, benchmarking, calculations support and assistance, public relations and EM&V of completed projects are available. Cash incentives for eligible energy efficiency measures are based on (kWh) energy reductions and are listed in this document.

APPENDIX

Appendix A: Participant Agreement

OG&E ARKANSAS ACCEPTANCE OF AGREEMENT

OG&E Arkansas (OG&E AR) has contracted with CLEAResult to sponsor, promote and administer the Large Commercial & Industrial, Schools and Government, and Small Business Programs.

_____, (herein referred to as "Participant") recognizes that it is a willing participant of these Programs, which are designed to help lower OG&E AR utility bills and free up operating dollars.

This Participant Agreement reflects the voluntary collaboration between your organization and the OG&E AR - sponsored Programs mentioned above. The terms below detail the general commitments of the Participant in order to improve the energy efficiency of their facilities. Please note that specific terms and conditions of each Program is more fully described in the applicable Program Manual. The applicable Program Manual will be available for the Participant once the Program Administrator has selected the appropriate Program options for a specific Participant.

The Program Administrator agrees to provide services to the Participant with the understanding that the Participant will exert its best efforts to implement cost-effective energy efficiency recommendations. Projects submitted to the program must be completed and submitted to CLEAResult by no later than December 10th of the appropriate program year to receive incentive funds and allow time for post-installation inspections.

To participate in this Program, you will need to understand and agree to these terms:

1. Participant acknowledges that the appropriate Program Manual may be made available and that they will abide by the terms and processes set forth in this document.
2. Participant will identify a contact person to work with the Program throughout the term of this Agreement. They will work with the Program to identify, assess and implement cost-effective energy efficiency measures.
3. The Program will reserve incentive funds for eligible energy-saving projects and will pay the Participant monetary incentives based on projects completed within each Program year.
4. Participant will make its best effort to complete and submit relevant Project Application forms, including necessary supporting documentation for each project, in a timely manner. The Project Application process is required in order to reserve financial incentives for projects.
5. Participant acknowledges that, as part of its participation in these Programs, it will maintain eligibility to receive Program services and incentives from the date of this Participation Agreement until December 31st of the appropriate program year.

By endorsing below, your organization accepts this agreement with OG&E Arkansas

This Agreement should be signed by your organization's Director, President or similar executive authorized to enter into such agreements. If Participant wishes to end its participation in these Programs, it may do so at any time by providing the Program Administrator written notice of its intentions.

Organization:		Title:	
First Name:		Last Name:	
Address:	City:	State:	ZIP Code:
Telephone:		Email:	
Account Number*:		TaxID:	
Signature:		Date:	

Please sign and email to commercial.ar@oge.com

*If you have more than one account number, please provide a separate list of buildings, physical addresses and account numbers.

Appendix B: Project Application Form

Oklahoma Gas & Electric (OG&E AR) is proud to offer the Commercial Energy Efficiency Program (herein referred to as “program”) for the purposes of improving the energy efficiency of commercial customers located with its Arkansas service territory. OG&E AR has contracted with CLEARResult to implement the program.

_____, (herein referred to as “Customer”) recognized that it is a willing participant of the program designed to help reduce energy bills for their facilities, reducing operating costs and improving the usability and comfort of their facilities. This *Project Application* reflects the binding commitment between your organization and the program and details the commitments of each party in order to improve energy efficiency in your facilities. The execution of this agreement reserves incentive funds for the project detailed herein until end of program year. Projects must be completed and submitted no later than **December 15th of the current program year**.

TO PARTICIPATE IN THE PROGRAM, YOU UNDERSTAND AND AGREE TO THE FOLLOWING TERMS:

1. Only project sites served by OG&E AR are eligible for inclusion on the application.
2. Customer acknowledges that the appropriate Program Manual may be made available and that they will abide by the terms and processes set forth in the Program Manual.
3. Customer will identify a contact person to work with the program throughout the term of this agreement. He or she will work with the program to identify, assess, and implement cost-effective energy efficiency measures.
4. Customer will provide access to facilities for the purposes of pre-inspection and post-inspection for the purpose of energy savings verification.
 - a. For retrofit projects, a pre-installation inspection must pass before any installations work has begun.
 - b. For new construction projects, Customers must submit construction drawings or similar (in electronic, PDF file format) to CLEARResult for review.
5. The program will reserve incentive funds for eligible energy-saving projects and will pay the Customer monetary incentives based on project completed within the program year. Approval of *Project Application* forms and resulting reservations of incentive funds are solely within the discretion of the program. Incentive funds estimated in this form are not officially reserved until the program has approved them and notified the Customer. Funds are reserved for 90 calendar days. After 90 calendar days, the funds reserved for the project may be redistributed to other projects. A request to waive the 90-day calendar requirement must be submitted in writing to CLEARResult. OG&E AR may review waiver requests and grant a waiver based on extenuating circumstances.
6. Customer will make its best effort to complete and submit relevant *Project Application* forms, including necessary supporting documentation, in a timely manner. The project application process is required in order to reserve financial incentives for a project.
7. Customer will allow the program to use Customer’s name to promote enrollment to entities, including the general public, potential program participants, utilities, as well as federal, state, or local entities.
8. Customer acknowledges that, as part of its participation in the program, it will maintain eligibility to receive program services and incentives from the date of the Participation Agreement until December 15th of the current program year.
9. Customer agrees to submit the CLEARResult a copy of the original invoice for equipment cost, labor, and other costs associated with the project.
10. If Customer uses internal labor and it therefore not invoices for labor, Customer will submit to CLEARResult a copy of the equipment invoice and an estimate of internal labor hours spent.
11. The incentive funds offered under the program are limited to a program budget. If the program’s budget is full reserved, *Project Application* forms will be placed on a waitlist. When/if additional

budget becomes available, waitlisted forms will be reviewed based on the date of receipt by CLEAResult.

12. The program is not under any obligation to provide Customer with more incentives than the amount reserved by the *Project Application* form for any project, even if Customer achieves greater energy savings by the project than what were estimated. However, if budget is available when a project achieves greater energy savings than estimated, the program has the option to pay Customer more than the amount reserved, up to the incentive calculated by the achieved energy savings.

ACCEPTANCE OF AGREEMENT

By signing below, your organization accepts the agreement with the Commercial & Industrial Program sponsored by OG&E AR. This agreement should be signed by your organization’s owner, facilities manager, energy director, or other representative authorized to enter into said agreement.

Customer Signature: _____

Customer Printed Name: _____

Title: _____ Date: _____

Section 1: General Information

Customer Information				
Application Date:		OG&E AR Account #:		
Company/Customer Name:				
Contact First Name:		Last Name:		
City:		State:		Zip:
Primary Phone:		Secondary Phone:		
E-mail Address:				
Project Site Address:				
City:		State:		Zip:
Project Information				
Project Name:				
Project Type:	<input type="checkbox"/> New Construction <input type="checkbox"/> Retrofit			
Facility Type:	<input type="checkbox"/> Manufacturing <input type="checkbox"/> Warehouse <input type="checkbox"/> School <input type="checkbox"/> Government <input type="checkbox"/> Other _____			
Total Weekly Hours of Facility Operation:				
Please select project type. Check all that apply.				
<input type="checkbox"/> Air Compressor <input type="checkbox"/> Chiller <input type="checkbox"/> Pump <input type="checkbox"/> Fan <input type="checkbox"/> HVAC <input type="checkbox"/> Lighting <input type="checkbox"/> Motors <input type="checkbox"/> Refrigeration <input type="checkbox"/> Controls <input type="checkbox"/> Other: _____				
Briefly describe the project and quantity of proposed installations:				
What are the estimated installation starting and completion dates:				
Start Date:		Completion Date:		
Has an energy savings analysis been conducted on the project? If yes, please complete the following:				
kWh Savings:		kW Savings:		

Installation Information					
Is the installation being conducted by in-house staff or by a Contractor?					
<input type="checkbox"/> Internal Staff <input type="checkbox"/> Contractor <input type="checkbox"/> Not Sure					
If a Contractor is used, provide the following information:					
Company Name:					
Contact First Name:		Last Name:			
Mailing Address:					
City:		State:		Zip:	
Primary Phone:		Secondary Phone:			
E-mail Address:					
Incentive Payment Acknowledgement					
Customer certifies and acknowledges that the following will be the payee for the incentive of these energy-efficient measures, upon completion of the project:					
<input type="checkbox"/> Customer					
<input type="checkbox"/> Contractor					
Project Payee Tax ID #:		Tax Exempt?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Project Payee Name:					
Mailing Address:					
City:		State:		Zip:	
For Official Use					

This section to be completed by CLEAResult representative.

Customer Name: _____

Project Name: _____

CLEAResult Representative Name: _____

Incentive and Savings Information*

Measure Description	Estimated Savings		Incentive Rate \$/kWh	Estimated Incentive
	kW	kWh		
Estimated Totals				

*The amount listed as the Total Estimated Incentive is based on estimated kWh savings. The actual incentive amount will be based on verified kWh savings.

Project Completion Process

1. Pre-Installation Inspection

A CLEAResult representative conducts a pre-inspection to verify existing conditions and equipment.

2. Project Application

The Customer submits a Project Application that outlines the final project specifications, estimated savings, and incentive reservation amount. A CLEAResult representative verifies the final project is eligible for incentives and determines the EM&V requirements.

3. Installation

The customer selects a contractor and installs the eligible measures.

4. Post-installation Inspection

A CLEAResult representative conducts the necessary post-inspections to verify the upgrades.

5. Measurement & Verification (M&V)

A CLEAResult representative oversees/conducts any necessary EM&V. If using the Deemed Savings method, the representative will calculate the final savings based on the post-installation inspection.

6. Project Close Out

A CLEAResult representative submits the final project documentation to OG&E AR for initiation of the incentive payment process. Customer received the incentive payment within 2-4 weeks.

Note: A CLEAResult representative is available to complete a no-cost Walk-through Assessment to aid the Customer in identifying viable energy saving projects.

Please send the completed application and a completed IRS W-9 Form to:

CLEAResult
3600 Old Greenwood Road, Suite 1
Fort Smith, AR 72903

Contact: Jason Bland
Phone: 479.689.6086
Email: Jason.Bland@CLEAResult.com