TACOMA POWER
TACOMA PUBLIC UTILITIES

Business Customer Energy Programs Process and Requirements for Custom Projects

Purpose

This document captures the Tacoma Power Customer Energy Programs (CEP) requirements for its three custom programs: Bright Rebates, Custom Retrofit, and New Construction, herein referenced collectively as "Custom Programs". Projects processed under these programs are referred to as "Custom Projects", and measures that qualify for incentives are known as Energy Conservation Measures (ECMs).

Custom Program process, requirements, and incentive rates for a given project are applicable for a given Custom Project based on the project agreement effective date. The information documented below is applicable for projects with an Effective Date on or after January 1, 2026.

General Custom Program Requirements

1. Participant is a Tacoma Power customer or has an operation within the Tacoma Power service territory, and desires an incentive pursuant to one of the stated Tacoma Power conservation programs for a project and Facility within Tacoma Power's service area.
2. Project must meet Tacoma Power energy conservation program cost effectiveness requirements.
3. Hazardous Materials: Tacoma Power and its representatives shall have no responsibility for the discovery, presence, handling, removal, or disposal of or exposure of persons to hazardous materials of any kind in connection with Participant's Facility, including without limitation asbestos, PCBs, or other toxic substances.
4. Participant is responsible to ensure that all project documentation used in developing Attachment A of the Customer Energy Programs Incentive Program Participant Agreement ("Agreement") accurately reflects existing and/or proposed Facility conditions and project scope. Tacoma Power will employ Attachment A of the Agreement to determine the final incentive for this project.
5. Incentive amounts are determined in accordance with these general requirements, as well as the applicable Program specific requirements identified below.
6. Participant may use an "Assignment of Funds" form to permit Tacoma Power to render payment to a third party, e.g., Trade Ally.
7. Tacoma Power may reduce incentive rates based on project-specific conditions, e.g., to permit the project to meet cost-effectiveness requirements.
8. The minimum incentive amount allowed for each qualified custom ECM project is $500.
9. Some ECMs reduce water or natural gas consumption in addition to saving electricity. If the ECM receives funding from other sources, Tacoma Power funding may be reduced.
10. Participant or its representatives shall provide Tacoma Power all final cost documentation. Final cost documentation must cover the equipment purchased and/or work performed for the measure(s).

General Project Process

1. For Bright Rebates:
    1.1. Contact Tacoma Power to identity if customer is Schedule B or Schedule G.
    1.2. Complete and submit a Bright Rebates application to BrightRebates@tacoma.gov.

2. Send inquiries for Custom Retrofit and New Construction projects to:
    2.1. bizrebates@tacoma.gov for Custom Retrofit and Industrial New Construction projects. A CEP field staff member will be in contact to understand the project scope and identify next steps.
    2.2. tacomapowernewconstruction@willdan.com for Commercial New Construction Early Design Assistance Program. Tacoma Power's contractor will be in contact to explain the program and determine eligibility.
3. Tacoma Power reviews project scope of work and determines an estimated incentive based on annual electricity savings and project costs. Upon successful review, Tacoma Power issues the Participant an agreement for signature by the Participant and Tacoma Power. Once complete, Tacoma Power issue a Notice to Proceed.
4. Equipment is installed by Participant and/or their contractor.
5. Tacoma Power Customer Energy Programs staff or its representatives collects post-installation documentation, conducts an in-person or remote site visit, and completes other elements of Attachment A of the agreement.
6. Upon successful installation, Tacoma Power issues rebate based on final costs and electricity savings.

Requirements Specific to Bright Rebates:

1. Incentive Rates
    1.1. See website for current Bright Rebates program incentive rates.
    1.2. For Schedule B Customers: the lesser of $0.19 first-year saved electrical kWh, 100% of installed cost, or the Program Offerings documented within the relevant Lighting Calculator application.
    1.3. For Schedule G Customers: the lesser of $0.17 first-year saved electrical kWh, 60% of installed cost, or the Program Offerings documented within the relevant Lighting Calculator application.
2. Technical Requirements
    2.1. All new fixtures and sensors shall be certified by an approved testing laboratory (UL or ETL).
    2.2. All installed lighting must meet the requirements in the most current Washington State Code, as applicable.
    2.3. All applicable permits must be obtained prior to installation of new lighting fixtures.
    2.4. All lamps, ballasts, and equipment removed during the retrofit must be disposed of according to all Federal, State, and local regulations.
    2.5. Tacoma Power must have a manufacturer's specification sheet on file for all proposed equipment.
    2.6. All LED lamps and fixtures must be listed on one of the following approved product lists: Energy Star or Design Lights Consortium. At Tacoma Power's sole discretion, products may be accepted if they meet the following technical requirements: 5 year warranty, UL/ETL listed, and have a power factor greater than 0.9, i.e., 90%.

Requirements Specific to Custom Retrofit:

1. Incentive Rates
    1.1. Incentives are based first year kilowatt-hour (kWh) savings and project costs. Furthermore, incentives may be based on the total project cost or the incremental cost between minimum efficiency equipment and a selected higher efficiency equipment option.
    1.2. Incentives are calculated per the following bases:
        1.2.1. Heating, Ventilation, and Air Conditioning (HVAC) equipment: the lesser of $0.30 per first-year saved electrical kWh, 70% of total, or 100% of the incremental cost.

1.2.2. All other equipment (non-HVAC): the lesser of $0.23 per first-year saved electrical kWh, 70% of total, or 100% of the incremental cost.

1.2.3. Heating, Ventilation, and Air Conditioning (HVAC) control upgrade: the lesser of $0.15 per first-year saved electrical kWh or 70% of total cost.

1.3. For projects involving more than one ECM, the incentive rate may be applied to the entire project total annual interaction-adjusted energy savings and total project cost, but only at Tacoma Power's discretion.

2. Technical Requirements

2.1. Electricity savings are based on the baseline conditions. Solely at the discretion of Tacoma Power, these conditions may reflect existing equipment and processes, Washington State Energy Code, or standard practices. If the baseline condition is standard practice or the Washington State Energy Code, then the maximum ECM incentive is the lesser of the actual incremental cost of the ECM or 70% of the installed ECM cost.

Requirements Specific to New Construction:

1. Incentive Calculation

1.1. Incentives are based first year kilowatt-hour (kWh) savings and the incremental cost between minimum efficiency equipment and a selected higher efficiency equipment option.

1.2. Incentives are calculated per the following bases:

1.2.1. Commercial New Construction Early Design Assistance Program: the lesser of $0.26 and $0.80 for market rate and affordable housing projects, respectively, per first-year saved electrical kWh or 100% of the incremental cost.

1.2.2. Industrial New Construction: the lesser of $0.20 per first-year saved electrical kWh or 100% of the incremental cost.

2. Technical Requirements

2.1. Must be new commercial or industrial construction within Tacoma Power's service territory. Major building renovations or changes of use may also fall under the New Construction Program.

2.2. Electricity savings are based on proposed equipment relative to Washington State Energy Code or standard practices. Tacoma Power is solely responsible for selection of the applicable baseline for any given project.

2.3. Efficiency improvements must result in energy performance at least 10% more than achieved when building to Washington State's Energy Code.