



The Ultimate Guide to Understanding Utility Rebates

2021

OVERVIEW OF CONTENTS

IN THIS GUIDE YOU'LL LEARN

Explanation of the different types of rebate programs

Various ways that programs can differ in their requirements

How to navigate the utility rebate application process

Why you should include rebate estimates in your quotes/proposals



WHO WE ARE ENCENTIV ENERGY IS ON A MISSION

Encentiv Energy is making the world more energy-efficient by empowering the industries that build and sell energy efficiency solutions with technology, intelligence, and funding.

We're the leading source of technology and intelligence that **unlocks billions of dollars a year of incentives.** We strive to ensure that the energy savings generated by the installation of these products are tracked and reported so it can have a **transformational and permanent impact on the environment.**



THE DIFFERENCE.

UTILITY REBATE PROGRAMS



UTILITY PROGRAMS

OVERVIEW

Efficiency programs are delivered by large and small utilities and third-party implementers in most of North America that help make energy efficiency a more affordable option. These programs are used to help overcome barriers so that program spending is not only used to acquire demand-side resources, but also to accelerate energy-efficient purchases by consumers and businesses.

In general, utility programs vary based on who receives the incentive. Upstream programs pay the incentive to manufacturers. Midstream programs pay the incentive to distributors. Downstream programs pay the incentive to customers.

TYPES OF UTILITY PROGRAMS

1

DOWNSTREAM

Downstream programs pay the incentive to customers. Customers must apply for incentives and receive incentives after purchasing efficient equipment. Utility programs vary on how they implement both prescriptive and custom incentives.

2

MIDSTREAM

Midstream programs pay the incentive to distributors. Work with a qualifying distributor to receive a discount at the point-of-purchase.

3

UPSTREAM

Upstream programs pay the incentive to manufacturers.

DOWNSTREAM

Downstream programs pay the incentive to customers. Customers must apply for incentives and receive incentives after purchasing efficient equipment. Utility programs vary on how they implement both prescriptive and custom incentives.

Prescriptive

Prescriptive programs provide a simplified calculations and application process. Incentive rates tend to be fixed per qualifying energy efficient equipment.

Custom

The calculations and application process is more complicated for custom programs. Utility programs vary widely on what custom programs cover. Typically incentives are based on energy savings in the first year of operation for energy efficient equipment.

The focus in this guide is on commercial and industrial downstream programs.

PRE- APPROVAL EXPLAINED

Pre-approval is a requirement set by the utility program where the customer or service provider must apply for and receive approval on their project prior to certain project milestones.

The utility program's intention is to confirm the project's eligibility, evaluate rebate metrics, and establish the potential rebate amount. For some utilities, pre-approval allows the service provider to reserve funding until the project is complete.

Keep pre-approval in mind when planning a project rollout. It will take additional time for the program to review the project details and perform a site inspection, if required. Planning for a utility's approval timeline will reduce the likelihood of project delays.

3 Ways Utilities Can Require Pre-Approval

1

**PRE-APPROVAL
BEFORE
PURCHASE**

2

**PRE-APPROVAL
BEFORE
INSTALLATION**

3

**NO PRE-
APPROVAL
REQUIREMENT**

1

Pre-Approval Before Purchase

A pre-approval application must be submitted prior to purchasing any products that would potentially receive a rebate. This requires confirmation of the products you want to purchase and their eligibility. Changes to the proposed products later in the process could impact whether or not you get the full pre-approved amount or even if the project still qualifies for rebates.

2

Pre-Approval Before Installation

A pre-approval application must be submitted after the equipment purchase but prior to installation. Although you can purchase the equipment prior to submitting, installing the equipment before the pre-approval process is complete could disqualify the project.

3

No Pre-Approval Requirement

The utility has no pre-approval requirement. Pay close attention to the program rules and the details for submitting the rebate application after the installation is complete.

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Intuitive, easy-to-read and understand, and worth its weight in gold when offering [LED products] to potential clients...You're able to show very accurate efficacy saving calculations [including rebates] to your client worked out showing the exact payback timeframe. How much easier could it be.

PHIL STEEL, LIGHTING SALES PROFESSIONAL



UTILITY REBATE PROGRAMS ARE COMPLICATED.

Here are some things to keep in mind!

WORK WITH AN APPROVED SERVICE PROVIDER

Programs may require applicants to work with an approved service provider. Some conduct training with service providers to ensure they understand the rebate program and its correct application. For these programs, the customer must use a service provider that has been approved by the program to ensure rebate eligibility.

PAPERWORK

REQUIREMENTS



PAPERWORK

W9 AND PAYEE

Paperwork and requirements for third party participation vary by program. Establish early on who will submit the application and receive the rebate payment, whether the account holder or a third party. A W9 form is typically required from the payee, and additional paperwork may be necessary to assign the payment to a third party. A letter of authorization may be required if a third party will be working on behalf of a customer.

PAPERWORK

PRODUCT QUALIFICATION

Only products that meet program efficiency guidelines are eligible for rebates. Product qualification varies by program and type of technology: LED (DLC®), HVAC (AHRI Certificate), EV Charging, Solar, and more.



DESIGNLIGHTS CONSORTIUM®

The DLC® Qualified Product Listing has high-quality, energy-efficient lighting products that qualify for rebates in utility and energy efficiency programs.

ENERGY STAR®

ENERGY STAR® is the government-backed symbol for energy efficiency, providing simple, credible, and unbiased information that businesses rely on to make well-informed decisions.

THIRD-PARTY

Other third-party verification could be required depending on the technology you're applying for a rebate.

PAPERWORK

INVOICES AND PROOF- OF-PURCHASE

Along with the rebate application most utility programs require an invoice and/or proof-of-purchase to be submitted.

Even though invoices and proof-of-purchase (receipts) show detailed purchase transactions (itemized, full model numbers, quantity, price) some utilities require one or the other, or both – since these documents are not always interchangeable.

The program requirements will outline if an invoice (a request for payment) or a proof-of-purchase (receipt for payment) is needed.

Make sure you read the requirements carefully as providing the incorrect documentation could delay your rebate application.

PRE AND POST INSPECTION

The utility might require a program representative on site to conduct a pre and post inspection, which needs to be coordinated with the customer. Inspections allow the program to verify equipment, building type, hours of operation, and other project details. Post inspections verify whether the approved equipment was installed.

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Encentivizer offers in-depth nationwide data
with support - all within a super easy-to-
use platform.

LIGHTING RETROFITTER, ESCO

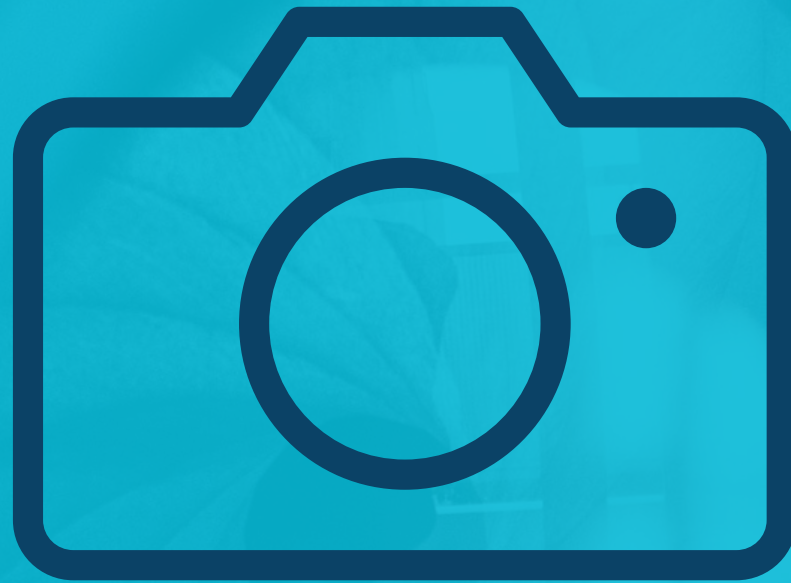


Photo Documentation

Programs may require photo documentation of existing equipment, especially for unique or high output equipment. The wattage and hours of operation used by programs in calculations may differ from user inputs.



Recycling

Some programs require the recycling of existing equipment. A recycling certificate will typically be required to verify compliance.

WHAT IS A REBATE CAP?

Often programs will have rebate caps limiting the maximum rebate amount for an energy efficiency upgrade. Utilities use caps to limit the money paid out to a specific customer and/or for a specific project. The payment limit for a project can be a combination of: percentage of cost, payback requirement, or maximum dollar amount.



PERIOD OF TIME

The maximum rebate amount for an account or customer can be given over a period of time, such as: lifetime maximum, per multi-year period, per calendar year, or per program year.

INTERESTED IN LEARNING MORE ABOUT REBATE CAPS?

Keep Reading →

Does it make sense to register with a utility program in your area?

REGISTER

You can sign up and register with utility programs throughout the country.

RESOURCES

Signing up can give you access to additional resources: online submissions, training, and program updates.

CERTIFICATION

Registering may require proof of accreditation and insurance. You may be required to attend on-going education.

LEAD GEN

You're often listed on the program's website as an accredited resource, which can be a great lead generation opportunity!

WHY SHOULD YOU INCLUDE REBATES IN YOUR PROPOSALS?



Utility rebates can offset labor and product costs.



They can increase ROI and decrease the payback period.



Your customers will say 'Yes!' faster when they see a better ROI with the rebate!

EASILY ADDING VALUE TO YOUR PROPOSALS WITH ENCENTIVIZER.

RESEARCH

Searching for energy efficiency rebate information is frustrating, complex, and time consuming.

KEEPING UP

Programs are constantly changing, making things even more complicated.

VALUE

We can help you overcome these challenges and add value to your proposals. Encentivizer can estimate rebate amounts and provide insights into a project's eligibility.

HOW TO CREATE AN ENERGY EFFICIENCY PROPOSAL THAT CLOSES DEALS FASTER

Read in-depth how you can create proposals to close deals faster using a checklist.

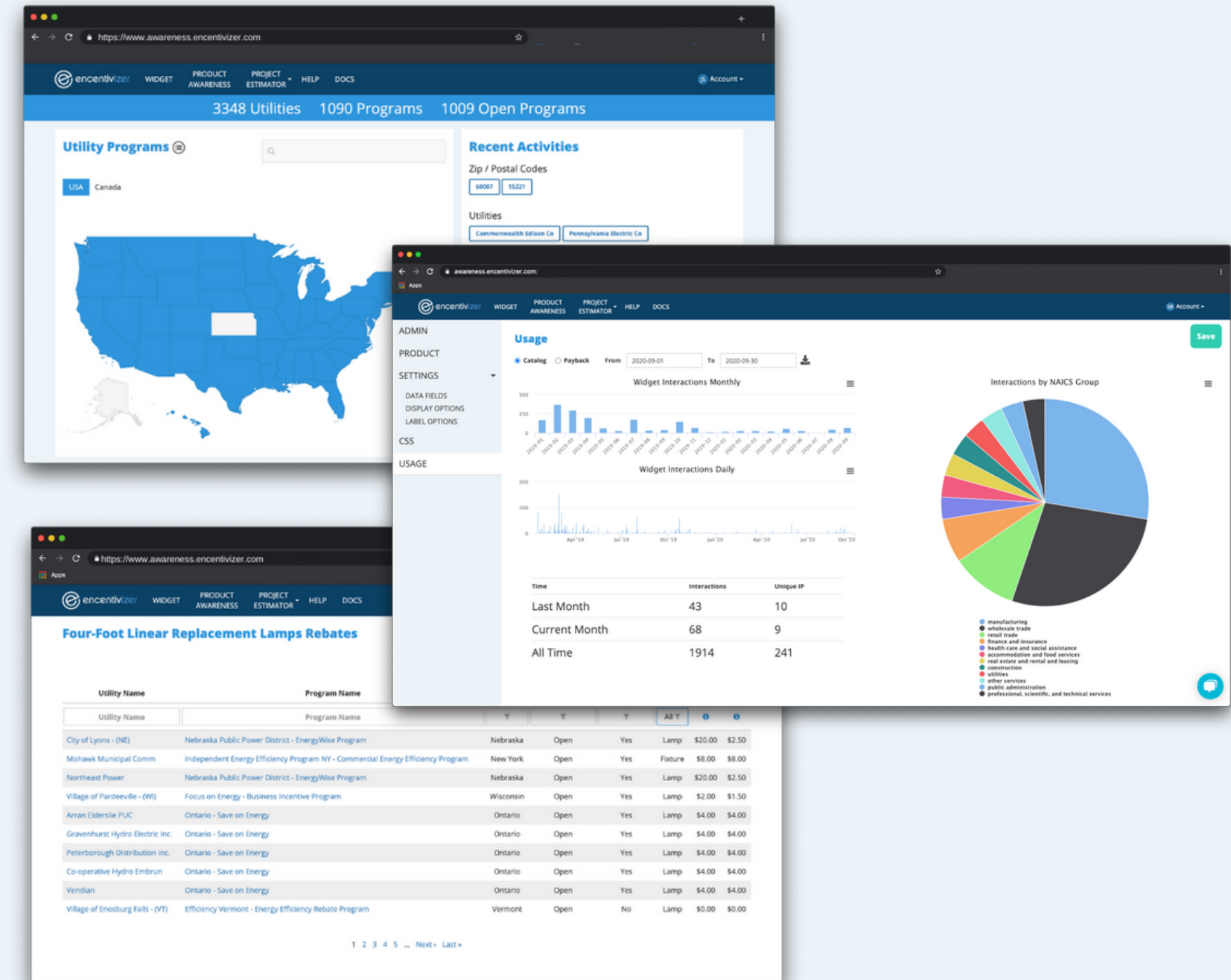
[See the checklist →](#)

REIMAGINE THE UTILITY REBATE PROCESS FROM START TO FINISH.

The utility incentive process becomes a lot simpler when qualified products and utility program data are connected all in one place.

[Learn More](#)

[Get a Demo](#)



HAVE QUESTIONS?
WE'RE STANDING BY READY TO HELP YOU!

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