Solar Thermal Water and Space Heating 2014 PROGRAM HANDBOOK



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WHAT IS THE SOLARGENERATIONS ELECTRIC HOT WATER PROGRAM?

Program Background

In 2010 the Public Utilities Commission of Nevada (PUCN) authorized NV Energy to create an incentive program for electric water heating customers to promote the installation of solar hot water systems. The program has a statewide goal to install 925 new residential solar hot water systems through 2019, to displace electric energy used to heat domestic hot water.

The Solar Hot Water Program (the "Program") is an incentive program available only to residential electric customers of NV Energy, with electric water heaters. The Program offers one-time cash incentives for qualifying solar hot water systems installed by an eligible contractor in NV Energy's service territory.

- The Program was developed in compliance with Nevada statutes and with approval of the Public Utilities Commission of Nevada.
- The Program is funded by NV Energy ratepayers and is administered by NV Energy.
- The Program is subject to changes made at any time by the Nevada Legislature, the Public Utilities Commission of Nevada, and NV Energy.
- Reservations are taken on a first come, first served basis.
- If the funds available for the active Program Year are fully reserved prior to the end of the Program Year, NV Energy may maintain a waiting list in first come, first served order: or, may suspend the program until future funding becomes available.

WHAT IS THE NV ENERGY NATURAL GAS SOLAR THERMAL PROGRAM?

Program Background

The Public Utilities Commission of Nevada adopted new regulations pursuant to NRS 701B.342 that require the establishment of a Solar Thermal Demonstration Program for all public utilities that supply natural gas to the State of Nevada. These new regulations were adopted in Docket No. 09-06033 by the Commission's Order issued January 10, 2010, and became effective on April 20, 2010.

NRS 701B.336 1 established the goal of installing at least 3,000 solar thermal systems in the State by 2019. Section 16.2(b) (1) of LBC File No. R210-09 assigned 570 of the 3,000 goal to NV Energy based on NV Energy's share of natural gas customers in the State.

The Solar Thermal Program (the "Program") is an incentive program available to NV Energy natural gas customers of. The Program offers one-time cash incentives for qualifying solar water or space heating systems installed by an eligible contractor.

- The Program was developed in compliance with the Nevada statutes and with the approval of the Public Utilities Commission of Nevada.
- This program is defined by Nevada Revised Statues Chapter 701B and the amendments made to it by subsequent bills including, most recently Senate Bill 188.
- The Program is funded by NV Energy's ratepayers and is administered by NV Energy.
- The Program is subject to changes made by the Nevada Legislature, the Public Utilities Commission of Nevada, and NV Energy.
- Reservations are made for complete applications on a first come, first served basis.
- If the funds available for the active Program Step are exhausted prior to the projects available in the active Step being fully reserved, NV Energy may maintain a waiting list in first come, first served order: or may suspend the program until future funding becomes available.

In 2012 through Docket Number 12-07008 approval of the Application of Sierra Pacific Power Company d/b/a NV Energy for approval of annual plans for the Solar Thermal Systems Demonstration Program for Program Year 2013, solar thermal space heating was approved as an eligible technology under the Solar Thermal Demonstration Program for the 2013 program year.

In 2013 the Natural Gas Solar Thermal Demonstration Program was further expanded with the approval of Docket Number 13-07004 the 2013 Natural Gas Conservation and Energy Efficiency Plan Annual Report and 2014 Annual Plan, The 2014 Annual Plan requested approval of Non-Residential Solar Thermal Pool Heating Systems as an eligible technology, and was approved by the PUCN.

Program Goals

The primary goals of the Program include the following:

- Increase the size of the solar hot water market in Nevada by increasing the adoption rate of solar hot water technology, including:
 - Achieving the installation of electricity-displacing systems;
 - Supporting reductions in the cost of solar hot water systems through a program that increases market size and encourages cost reductions through market efficiency, expansion, and innovation;
 - Engaging in market facilitation activities to reduce market barriers to solar water heating adoption, such as high permitting costs, lack of access to information, and lack of trained installers; and
 - \circ $\,$ Increasing consumer confidence and understanding of solar hot water technology and its benefits.

Program Contact Information

NV Energy RenewableGenerations Solar Thermal Incentive Program P.O. Box 10100 Reno, NV 89520-0024 Fax: (775) 834-5514 Phone: 866-786-3832 Email: renewablegenerations@nvenergy.com

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WHO MAY APPLY?

The Electric Solar Hot Water Program is available to residential NV Energy customers only. **The following entities may apply to the Solar Hot Water Program:**

- NV Energy Host Customer
 – An NV Energy residential customer, who is the individual whose name
 appears on the bill.
- **Designated Applicant** Individual designated by the NV Energy Customer of Record to submit and/or coordinate an application to the Program, as indicated on the Designated Applicant Form.

The gas solar thermal program is available to NV Energy residential and other customers. **The following may apply to the gas Solar Thermal Program:**

- NV Energy Host Customer Host Customer An NV Energy Natural Gas customer served, who has natural gas as the fuel being displaced by the solar thermal installation and who is the individual or entity whose name appears on the gas bill.
- **Designated Applicant-**Individual or entity designated by the NV Energy Host Customer to submit and/or coordinate an application to the Program, as indicated on the Designated Applicant Form.

Applicants may apply in the following categories. The NV Energy Customer of Record must qualify for the category. (Please see Terms and Definitions for category definitions)

- Private Residential
- Small Business
- Schools
- Public and Other Property

SOLAR THERMAL CONTRACTOR ELIGIBILITY

All contractors installing solar thermal systems through the Program must be listed with NV Energy as eligible to participate in the program. Contractors must meet the license, warranty, and training requirements as stated in this program handbook. Contractors must complete the Contractor Participation Application, which can be found in the Contractor's Corner on the NVEnergy.com/RenewableGenerations website. Each contractor who meets these requirements will be added to our list of eligible contractors. The list is available publicly on the program website. Non-compliance with program rules as determined by NV Energy can result in termination of contractor eligibility.



Solar Thermal Water Heating Contractor License Requirements

Eligible contractors must be licensed by the State of Nevada Contractors State Board (Contractors Board) and have an active C-1, C-1 (d), C-1(h), C-37, or C-37(a) contractors' license, and be in accordance with rules and regulations adopted by the Contractors Board.

Solar Thermal Space Heating Contractor License Requirements

Eligible contractors must be licensed by the State of Nevada Contractors State Board (Contractors Board) and have an active C-1, C-1(f), C-21, C-21(b), C-21(e), C-37, or C-37(b) contractors' license, and be in accordance with rules and regulations adopted by the Contractors Board.

Solar Thermal Pool Heating Contractor License Requirements (Non-Residential Only)

Eligible contractors must be licensed by the State of Nevada Contractors State Board (Contractors Board) and have an active A-10, C-1, C-1 (d), C-37 or C-37(d) contractors' license, and be in accordance with rules and regulations adopted by the Contractors Board.

If an eligible contractor's license expires or becomes suspended:

- The Utility shall not confirm any incentive reservation associated with the contractor.
- The Utility shall suspend any applications associated with the contractor.
- The Utility shall not make any incentive payment for a solar thermal system associated with the contractor, unless the solar thermal system was put into operation before the suspension of the license.
- The Utility shall notify each party identified on the application of the suspension

If the system has not been installed, the customer may hire a new contractor without losing the current incentive reservation. Incentives will not be paid unless the system received a satisfactory building inspection by the city or county prior to the suspension or until the license is reinstated.

Contractor Training Requirements

Contractors are required to attend a Program workshop. This contractor workshop is intended to familiarize contractors with program rules and requirements. Only contractors who participate in this workshop will be allowed to install systems in the program. The workshop provides an overview of the Program handbook, application process, program requirements, technical requirements, and additional related resources. Upon completion of this workshop and meeting other said requirements, a contractor will be eligible to install systems participating in the SolarGenerations Solar Heating Incentive Program.

In order to remain on the active list of eligible contractors, contractors must have attended the designated workshop, meet all required licenses, insurances, and warranties at the time of each application and closeout package submittal, and submit annually the required eligibility documentation, see Program Terms and Conditions, Section 6, a.

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BEFORE YOU APPLY

Increase the Energy Efficiency of Your Home

NV Energy recommends that before you install a renewable energy system you first consider increasing the energy efficiency of your property. By undertaking low cost improvements, such as installing faucet aerators and low flow showerheads, you can significantly lower your heating costs and reduce the size of your potential system. Visit NVEnergy.com/save energy to learn more about NV Energy conservation programs and for advice and tips that will help you stay comfortable in your home while reducing your energy costs.

Research, Research, Research

The decision to install any renewable energy system can be a large financial and logistical commitment. NV Energy recommends you carefully investigate and learn about solar hot water systems before you submit an application.

Knowing how much a system may cost, where it will go, what permits will be necessary, and what it will look like are some of the questions a solar hot water contractor can help answer.

IMPORTANT: Program rules require that the installed equipment must be certified by the Solar Rating and Certification Corporation (SRCC) or International Association of Plumbing and Mechanical Officials (IAPMO).

Read and Understand the Program Handbook

This program handbook outlines the steps needed to successfully complete the SolarGenerations Solar Thermal Water and Space Heating Program Incentive Application, installation and approval process. This handbook contains the rules of the Program and what steps participants (and their chosen contractors/installers) need to complete in order to receive an incentive. There are key dates and important actions participants must take to receive an incentive. NV Energy suggests that you carefully read the program handbook prior to submitting an application. In addition to reading this handbook, it is also recommended that participants view the latest version online.

Talk To Your Tax Advisor

In addition to NV Energy's RenewableGenerations incentive, you may be eligible for a federal tax credit. The federal government encourages Americans to invest in renewable solar energy. Solar thermal systems installed before the end of 2016 may be eligible for the 30% federal tax credit established by the Energy Policy Act of 2005. See link for more details. <u>http://www.energystar.gov/index.cfm?c=tax_credits.tx_index</u> Consult with your tax advisor to learn more.

NV Energy will send all recipients of an incentive payment an Internal Revenue Service Form 1099-Misc. All payees designated in the Incentive Claim Form, unless exempt by law, will need to submit a Form W-9 before NV Energy will issue the incentive payment. Payees should send their W-9 to NV Energy directly and separately from the PowerClerk incentive claim package.

Email: RenewableGenerations@NVEnergy.com

Fax: 775-834-5514

Mail: NV Energy RenewableGenerations

6100 Neil Rd Reno, NV 89511

Choose an Eligible Contractor

Program participants are required to use an eligible contractor. The chosen contractor will also assist with submitting the Solar Thermal Incentive Application and completing the incentive claim process. NV Energy recommends that you check the Nevada State Contractors Board website (<u>www.nvcontractorsboard.com</u>), consult with several contractors and get written quotes just as you would when making any major home repairs or improvements. You can find a list of eligible solar hot water contractors at NVEnergy.com/solarheating.

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WHAT YOU NEED TO APPLY

Incentive applications are accepted on a first come, first served basis. If the active Program Year funding is fully subscribed, NV Energy may maintain a waiting list, also in first come, first served order.

Go to NVEnergy.com/solarheating and look for SolarGenerations Thermal and the How to Apply link.

Follow the onscreen instructions for entering the application in the PowerClerk software. An online tutorial for the application process is available on the NV Energy website.

When prompted, upload the required documents. Only complete applications with all required documents will be eligible for reservations.

Within 30 days of submittal, NV Energy will review your application and determine whether it is complete. Here is what you will need:

- 1. A completed application with the Host Customer or their Designated Applicant (if applicable).
- 2. Proposed system has SRCC OG-300 or IAPMO certification or SRCC OG-100 collector certification with stamped professional engineer's annual system offset calculations.
- **3.** A signed contract to purchase and install a solar thermal system with a program eligible contractor with the appropriate contractor's license. Agreements for the purchase and installation of a system or system equipment must include, at a minimum, the following information:
 - **a.** Name, address and contractor's license number of the company performing the system installation.
 - **b.** Site address for the system installation.
 - **c.** Description of the work to be performed.
 - **d.** The quantity, make and model number (as shown on the SRCC certified system and collector lists) for the collectors, storage tank, and system performance meters (if applicable)
 - e. The total purchase price of the eligible system before tax and Utility incentives.
 - **f.** Printed names and signatures of the purchaser, equipment seller and equipment installer (if different).
- 4. Contractor Siting Attestation Form signed by an eligible contractor indicating the contractor in the contract attests that the proposed system will meet siting requirements.
- 5. Contractor Warranty Attestation Form signed by an eligible contractor indicating the installed system will have all required warranties.
- 6. Designated Applicant Form if the Host Customer chooses to designate someone to apply on their behalf.
- 7. Copy of State or Local Business License for Small Business applicants.(Only eligible in gas program)

School, Public and Other Property (only applies to gas program)

- 1. A completed application with the signature of the Host Customer or their Designated Applicant (if applicable).
- 2. One of the following:
 - a. A copy of a Request for Proposal (to be released or already released); or
 - b. Other solicitation for the installation of the project; or
 - c. A copy of the executed agreement for the purchase and installation of the solar thermal system.
- 3. Designated Applicant Form if the Host Customer chooses to designate someone to apply on their behalf.
- Non Profit Status Evidence of compliance with non-profit 501(c)(3) eligibility per program rules. (See Non Profit requirements in Definitions and Terms for <u>Public and Other Property</u>.

If at the time of the initial application the School and Public and Other Property applicant submits all required information including a copy of the executed agreement for the purchase and installation of the solar thermal system, the Utility will either issue a Confirmed Reservation or request more information.

THE APPLICATION REVIEW PROCESS

The Solar Thermal Incentive Application will be reviewed to ensure that it is complete and all required accompanying documents are complete.

Reservations for incentives are made from the available incentives in the current incentive program year.

Program availability will be updated on the RenewableGenerations website, NVEnergy.com/solarheating. Before you apply, you should visit the website to check incentive availability in the currently active program year for the category to which you are applying. Because of the dynamic nature of the program, incentives are not reserved until NV Energy reviews an application and issues a Notice of Reservation.

- Each program year has a system installation maximum and an incentive budget maximum.
- Incentive values decline over time.

Once the total number of installations in a Program Year is fully reserved, NV Energy may; maintain a waiting list in first come, first served order or may suspend the program until future funding becomes available.

If, NV Energy maintains a waiting list for the active Program Year, as applicants withdraw from the program, the reserved incentive value from their application will be returned to the currently active Program Year waiting list on a first come, first served basis.

Pre-Inspection Process

All Program applications may be subject to onsite pre-inspections. Applicants whose projects have been selected for pre- inspection will be contacted to schedule an inspection appointment. Inspection may include verification of water heater or space heating fuel source and verification of siting requirements.

HOW MUCH IS THE INCENTIVE?

SOLAR ELECTRIC WATER HEATING PROGRAM

The Electric Water Heating Program is open to single family residential customers only. Northern Nevada systems must meet a minimum annual systems displacement of 1,800 kWh, while Southern Nevada systems must displace 1,500 kWh annually. The table below displays the maximum number installations and maximum incentive amount per project by service territory. Program availability will be updated weekly on the RenewableGenerations website, <u>NVEnergy.com/solarheating</u>. Before you apply, you should visit the website to check incentive availability

	Maximum Number of Installations		Maximum Incentive per Installation	
Program Year	Southern Nevada	Northern Nevada	Southern Nevada	Northern Nevada
2014	20	36	\$2,250	\$2,250

Calculating the Incentive

Assuming that the installed solar hot water system meets all project and siting requirements listed in this handbook, and minimum annual displacements, the maximum incentive payable for that system is the lesser of 50% of total system cost up to the maximum incentive listed on the project specific Reservation Notice.

A Reservation Notice issued to participants will indicate the maximum incentive payment. Upon completion of the project, the system will be inspected to verify that installation meets equipment requirements. If the system as actually installed is not as indicated in the original application, the final incentive payment will be adjusted. or the estimate by the PE is less than in the original application. The final incentive will not be greater than the amount listed in the original Reservation Notice and may not exceed the total project cap based on actual installed cost.

SOLAR GAS WATER AND SPACE HEATING PROGRAM - THE STEP PROCESS

Program availability will be updated weekly on the RenewableGenerations website, NVEnergy.com/solarheating. Before you apply, you should visit the website to check incentive availability in the currently active step for the category to which you are applying. Because of the dynamic nature of the program, incentives are not reserved until NV Energy reviews an application and issues a Notice of Reservation.

- Each step has a system installation maximum
- Each category has its own step progression depending how quickly that category's step fills.
- Incentive values decline with each step.
- Once the number of installations in a step is fully reserved, subsequent reservations will be made from the next step. However, if the funds available for the program year are fully exhausted prior to reservation of all projects available in the active Step, NV Energy may; maintain a waiting list in first come, first served order, or may suspend the program until future funding becomes available.

If NV Energy maintains a waiting list for the active step, as applicants withdraw from the program, the reserved incentive value from their application will be put into the currently active step waiting list on a first come, first served basis. To qualify for the waiting list, the application must be complete per program rules. The application must also meet all Program requirements at the time that project is advanced from the waiting list to receive a Reservation Notice. For example, if the contract associated with a project has expired during its time on the waiting list, a new or amended contract must be submitted to the Program. Below are the incentive values per therm for the steps. Please visit the RenewableGenerations website, NVEnergy.com/solarheating to see the incentives available in each step in each category.

Step 1				
Category	Initial Rebate Level	Rebates/ Category	Maximum Rebate	
Schools	\$19.00 /therm	5	The lesser of 50% of system cost or \$30,000	
Public and other	\$19.00 /therm	5	The lesser of 50% of system cost or \$30,000	
Private Residential	\$14.50 /therm	80	The lesser of 30% of system cost or \$3,000	
Small Business	\$14.50 /therm	24	The lesser of 30% of system cost or \$7,500	
Total Step 1	-	114		

Step 2			
Schools	\$17.00 /therm	5	The lesser of 50% of system cost or \$30,000
Public and other	\$17.00 /therm	5	The lesser of 50% of system cost or \$30,000
Private Residential	\$13.00 /therm	80	The lesser of 30% of system cost or \$3,000
Small Business	\$13.00 /therm	24	The lesser of 30% of system cost or \$7,500
Total Step 2		114	
Step 3			
Schools	\$14.00 /therm	15	The lesser of 50% of system cost or \$30,000
Public and other	\$14.00 /therm	15	The lesser of 50% of system cost or \$30,000
Private Residential	\$11.00 /therm	240	The lesser of 30% of system cost or \$3,000
Small Business	\$11.00 /therm	72	The lesser of 30% of system cost or \$7,500
Total Step 3	<u> </u>	342	

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Calculating the Incentive

The incentive payment is calculated using several variables:

- 1. The incentive rate per therm of the step from which your reservation is made
- The therm savings estimate based on SRCC OG-300 system estimates or estimates calculated by a professional engineer (PE) for OG-100 systems.
 The total and of the installed established estimates and professional engineer (PE) and professional engineer (PE) for OG-100 systems.

The total cost of the installed solar thermal system.

Incentive Payment = incentive rate per therm x therm savings estimate of the installation.

For natural gas system displacements represented in kilowatt hours (kWh), NV Energy will use the conversion:

1 therm = .03413 kWh.

System therm savings = system kWh rating x .03413

A Reservation Notice issued to participants will indicate the total maximum incentive payment for a project calculated with the incentive rate of the step from which the reservation is made and the project information contained in the application.

At the end of the project, the incentive payment is calculated again based on the project information contained in the Incentive Claim Package. The final incentive payment will be adjusted lower if the project information shows

the SRCC estimate or the estimate by the PE is less than in the original application. The final incentive will not be greater than the amount listed in the original Reservation Notice and may not exceed the total project cap based on actual installed cost.

Total incentives payable in the Natural Gas Solar Heating Program for the 2014 program year may not exceed \$150,000.

RECEIVING A RESERVATION NOTICE

Applicants who submit applications deemed complete, with all required documents may be scheduled for a preinspection. After successful completion of the pre-inspection if necessary, applicants will be sent a Reservation Notice, However, if a program oversubscribes during the initial application time period, a waiting list in first come, first served order: or, may suspend the program until future funding becomes available. The Reservation notice will indicate the maximum incentive payable and the expiration date of the Reservation.

Applicants with incomplete applications will have 20 calendar days after being notified of the deficiency to submit any missing information. If the applicant corrects the errors, to the satisfaction of NV Energy, within 20 calendar days of their receipt of notification, and the application is deemed complete, the applicant will then be sent a Reservation Notice. The reservation will be made based on incentives available at the time when the completed application and all required documents are received. Applications that are not corrected within 20 calendar days will be cancelled. Applicants with cancelled applications may resubmit new applications which will be placed within the appropriate sequence with applications being accepted at the time of the new application.

AFTER YOU RECEIVE A RESERVATION

All applicants may begin constructing their systems only AFTER receiving a Reservation Notice.

Solar Electric Water Heating Program

Applicants must complete their installation and submit a complete incentive claim package by the expiration date listed on the Reservation Notice which will be the earlier date of 6 months after the date of issuance of the notice or December 31, 2014.

Solar Gas Water and Space Heating Program – Residential and Small Business

Applicants must complete their installation and submit a complete incentive claim package by the expiration date listed on the Reservation Notice which will be 12 months after the date of issuance of the notice.

Solar Gas Water and Space Heating Program - School, Public and Other Property

Applicants must complete their installation and submit a complete incentive claim package by the expiration date listed on the Reservation Notice which will be 30 months after the date of issuance of the notice. Within 90 days of the date of the notice of reservation, a School, Public and Other Property applicant must submit a 90 Day Proof of Progress Checklist Form, demonstrating that the project is progressing and there is a sustained commitment to complete the project within 30 months after the date of the notice.

Within 270 days of the date of the Reservation Notice, the applicant must submit a copy of the executed agreement to purchase and installation of the solar hot system and a 270 Day Proof of Progress Checklist. Once received and approved, NV Energy will send a confirmation of the original Reservation Notice.

Applicants who do not comply with the 90 or 270 day submission requirements will forfeit their reservations.

If the utility notifies an applicant that the submitted data for the application still is not complete or requires clarification at 270 days, applicants will be given 20 days to submit any missing information. If the applicant corrects the errors within 20 days of their receipt of notification, they will be sent a notice of confirmation of the original Reservation Notice. Applications will be cancelled if their errors are not fixed within 20 days. Applicants with cancelled applications may submit a new application that will be reviewed as a new application at the time of submittal.

An applicant may withdraw from the program for any reason by submitting a project intent form available within PowerClerk. Applicants who withdraw may reapply to the Solar Hot Water Program as a new applicant and must satisfy all requirements of the program in effect at the time of reapplication.

Receipt of a Reservation Notice does not guarantee payment. The program is subject to change or cancellation at any time.

RECEIVING AN INCENTIVE

Upon completion of installation and before the expiration date on the Reservation Notice, the applicant must submit through the PowerClerk application software a complete incentive claim package to receive an incentive payment.

Go to NVEnergy.com/solarheating and look for SolarGenerations Thermal and the Claim Your Incentive link.

Follow the onscreen instructions for entering the application in the PowerClerk software. An online tutorial for the application process is available on the NV Energy website.

When prompted, upload the required documents. Only complete applications with all required documents will be eligible for reservations.

Submitting the incentive claim package is similar to submitting the original application. Log in to PowerClerk and follow the instructions for completing each section. When prompted, upload the required documents.

The incentive claim package must include the following documents which are available on the PowerClerk website, <u>NVEnergy.com/solarheating</u>

- 1. A completed incentive claim package with the signature of the Host Customer and the Eligible Contractor must be submitted to the Utility before the expiration date specified in the Reservation Notice.
- 2. A copy of itemized invoices for materials, equipment, and labor. Invoices must show the services rendered by the eligible contractor depending on type of system installed.
- **3.** A copy of a satisfied building permit from local jurisdiction indicating passing the installation final inspection.
- 4. Equipment and Workmanship Warranty information indicating the required 2 year workmanship warranty, 5 year hot water system warranty and 10 year solar collector warranty.

If any part of an incentive claim package is incomplete or not acceptable, NV Energy will request the necessary corrections. The applicant must submit this information within 20 calendar days after receipt of the request to remain qualified for the incentive.

NV Energy will not process incomplete Incentive Claim Packages. If the incentive claim package is incomplete, NV Energy will request the necessary missing information. The applicant must submit the required information within 20 calendar days after the date of the request for additional information to remain qualified for the incentive. If

the applicant fails to provide the required information within 20 calendar days after receiving the request for information, the utility may reject the Incentive Claim Package.

If the incentive claim package is not received on or before the expiration date specified in the confirmation reservation notice, or the information in the incentive claim package indicates that the project is otherwise ineligible, the utility shall send a written notice to the applicant stating the reason why the project is rejected and not eligible for incentive. The applicant may resubmit an incentive claim package but will be subject to the eligibility requirements, incentive levels and funding available at the time of resubmission.

Upon receipt of the complete Incentive Claim Package, NV Energy will schedule a final inspection to verify compliance with Program rules.

Post Installation Inspections

A Post Inspection will occur after NV Energy has determined that the incentive claim package submitted by the applicant is complete. An NV Energy inspector will visit a percentage of the project sites. This will include verifying:

- 1) System components including solar hot water collectors, controllers, tanks and pumps;
- 2) The siting of the collectors
- 3) The property on which the system is located
- 4) Measurement and Verification evaluation if necessary

Once NV Energy determines that the inspected system matches the information submitted on the incentive claim package, NV Energy will process the incentive check. The incentive check will be mailed within 30 days of the successful completion of the final inspection. Acceptance of the incentive check transfers all Portfolio Energy Credits (PEC) that the system generates to NV Energy.

Customer Survey

Applicants who have completed their projects may be contacted within six months after their project is complete and asked to respond to an online survey that will query the operational effectiveness of the participant's solar thermal system and their satisfaction with the program.

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PORTFOLIO ENERGY CREDITS

A renewable energy system generates portfolio energy credits. This is a unit of measure used in renewable energy legislation and in some cases, as a market commodity. The renewable energy systems in NV Energy's incentive programs are assigned portfolio energy credits for use in the Renewable Energy Portfolio Standard created by the Nevada Legislature. A customer who receives an incentive from the RenewableGenerations program assigns the portfolio energy credits generated by their system to NV Energy.

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PROGRAM RULES

1. Application Requirements:

- Host Customer eligibility.
- Application contains all required documents.

- The system must offset the minimum kWh per year to be eligible for the incentive for electric participants (1,500 kWh for Southern Nevada Customers & 1,800 kWh for Northern Nevada Contractors).
- Proposed system has SRCC OG-300or IAPMO certification or SRCC OG-100 collector certification with stamped professional engineer's annual system offset calculations.
- Customer has electric or gas service from NV Energy with an electric water heater for the electric program and a gas water heater or furnace for the gas program.

2. Siting Requirements:

- a. The solar hot water collectors will not face more than 90 degrees from true south.
- b. The solar hot water collectors will not have more than 25 percent shading on an annualized basis calculated using industry standard measuring practices.

3. Eligible equipment must:

- a. Be used to heat domestic hot water, pool heaters (non-residential gas customers only) or space heating (gas customers only).
- b. Be located on property within the Nevada electric service territory of NV Energy.
- c. Be installed on a permanent surface for a building which is connected to an existing customer of NV Energy. In the case of new construction, the customer at the location must become a grid connected customer before receiving an incentive.
- d. Be installed such that the orientation of the solar collectors is not more than 90 degrees from true south.
- e. Consist of solar hot water or space heating system components that are new and unused.
- f. Be installed in conformity with the manufacturer's specifications and all applicable codes and standards.
- g. Be installed by eligible Program contractor.
- h. An OG-300 certification that is issued by the Solar Rating and Certification Corporation (SRCC; <u>www.solar-rating.org</u>) or International Association of Plumbing and Mechanical Officials (IAPMO; http://www.iapmo.org); or
 - i. An OG-100 certification on collectors, with accompanying:
 - 1. Documentation that supports the sound design and expected performance of the solar hot water or space heating system; and
 - 2. The stamp or seal of a professional engineer, the signature of the engineer attesting to the sound design of the solar hot water system and the estimated annual savings of kWh (or therms for gas projects) per year, the date of signing and the date of expiration of the license of the engineer.
- i. Natural gas installations shall:
 - i. Use a two-tank system, where a new tank is dedicated to storing water heated by solar panels and the customer's existing tank is used to heat water with natural gas; or
 - ii. Use their existing tank in combination with an external heat exchanger if:
 - 1. The existing tank is still under warranty or is less than 3 years old
 - 2. The application includes the stamp or seal of a professional engineer, the signature of the engineer attesting to the expected performance and sound design of the solar thermal system, the date of signing and the date of expiration of the license of the engineer; and
 - 3. The customer is provided with a written disclosure consisting of an estimate of the efficiency of a one-tank system with an external heat exchanger compared to an estimate of the efficiency of a two-tank system, all other variables being the same or reasonably similar.
 - iii. The customer may use a new tank in combination with an external heat exchanger if:
 - 1. The application includes the stamp or seal of a professional engineer, the signature of the engineer attesting to the expected performance and sound design of the

solar thermal system, the date of signing and the date of expiration of the license of the engineer; and

- 2. The customer is provided with a written disclosure consisting of an estimate of the efficiency of a one-tank system with an external heat exchanger compared to an estimate of the efficiency of a two-tank system, all other variables being the same or reasonably similar.
- j. Be designed to support the installation of a meter or other measuring device.
- k. Meet the kWh offset requirements as determined by SRCC estimates. The required offset is 1,500 kWh annually in southern Nevada and 1,800 kWh annually in northern Nevada.
- I. Space Heating Systems exceeding displacement of more than 34,000,000 Btu's (340 Therms) must comply with **NAC 704.8893.**

4. Warranty Requirements – The system must:

- a. Have a manufacturer's warranty of at least 10 years that covers the solar collectors of the solar hot water system against defects and undue degradation.
- b. Have a manufacturer's warranty of at least 5 years that covers each new tank of the solar hot water system, if any.
- c. Have a workmanship warranty from the eligible contractor of at least 2 years that covers the installation of the solar hot water system, including labor and materials.

5. Incentive Requirements:

- a. An applicant must receive a Reservation Notice before beginning construction of the system.
- b. Acceptance of the incentive checks transfers all Portfolio Energy Credits (PECs) that the system generates to NV Energy.
- c. To be eligible for an incentive, an applicant must show that the system was inspected by a local jurisdiction.
- d. An eligible, fully licensed Nevada contractor with program specified license for project must install system.
- e. Electric Applicants have 6 months from the date on the original Reservation Notice or until the end of the current calendar year to construct their project and submit a complete Incentive Claim Package. Residential and Small Business gas participants have 12 month from the date on the original Reservation Notice to complete their installation. Schools, Public and Other gas participants have 30 months from the date on the original Reservation Notice to complete their installation.

6. Contractor Requirements:

- a. To become an Eligible Contractor, properly licensed contractors must attend an NV Energy-provided one (1) day Contractor Eligibility Workshop or webinar. These workshops will be held at no charge for participating contractors. NV Energy will not reimburse attendees for expenses incurred or time spent attending the Workshops. The Eligible Contractor will accurately inform NV Energy customers of the Solar Hot Water Program eligibility requirements and incentive opportunities. The Eligible Contractor agrees to fully understand available rebate program including; qualifying products, incentive amounts, and eligibility requirements. Participation in the NV Energy Solar Hot Water Program is not an endorsement from the utility, customers will be advised to speak with multiple Eligible Contractors as a part of their due diligence. The Eligible Contractor must submit annually all of the following documents and information to NV Energy:
 - a. Contractor Participation Application.
 - b. Proof of proper contractor license depending on type of system installed.
 - c. Proof of valid workers' compensation insurance if the contractor is required by law to carry such insurance.
 - d. Proof of commercial general liability insurance and business auto insurance.
 - e. Documentation of all warranties that will apply to the solar thermal systems installed by the contractor.

- f. Additional information as requested.
- b. Eligible Contractor will aid in the customer incentive application process by accurately answering questions and directing customer to the current incentive forms, the customer service hotline, and/or to the website. Eligible Contractor shall not mislead the Customers about the availability of incentives or misrepresent its role in the incentive process. Only NV Energy in its sole discretion can approve or reallocate Program incentives for a Participant. NV Energy has the sole right and authority to determine acceptance of Contractor's Participation Application and resulting right of participation in the Program.
- c. All designs, drawings, calculation, computer codes, plans, specifications, data and any and all other information developed, created or produced (including partially completed work) by Eligible Contractor pursuant to or relating, directly or indirectly, to the Program, will become the property of NV Energy when so developed, created, or produced, and notwithstanding any property designations contained therein, NV Energy will have the right to use or sell that information without limitation. At NV Energy's request, those designs, drawings, calculations, computer codes, plans, specifications, data, and any and all other information will be delivered to NV Energy.
- d. The Eligible Contractor will not use the NV Energy corporate name, logo, identity, or any indication of affiliation on any Eligible Contractor marketing or other materials (printed copy or electronic) for any reason, including, without limitation, soliciting customers, without NV Energy prior written consent. Neither the Eligible Contractor, nor any Eligible Contractor employee(s) shall be considered, for any purpose, to be an employee, agent, partner or representative of NV Energy and neither the Eligible Contractor, nor any of its employees shall have any power or right to bind NV Energy to any obligation, or act on behalf of or in the name of NV Energy in dealing with customers or third parties. The parties will not exercise any control or supervision of each other or be responsible for each other in the performance of any service.
- e. In reviewing a Contractor Participation Application, NV Energy will verify that the contractor's license issued by the State Contractors Board is currently valid and active. If NV Energy determines that the contractor's license was suspended, NV Energy will suspend any applications associated with the contractor and notify affected customers and the contractor of the suspension. Furthermore, NV Energy will not confirm any incentive reservations associated with the contractor, unless the solar hot water system associated with the contractor, unless the solar hot water system was operational before the suspension of the license. If the solar thermal system has not been installed, the customer may hire a new contractor without losing their current rebate reservation.
- f. If the Eligible Contractor desires to discontinue its participation in the NV Energy Solar Hot Water Program, it may do so by notifying NV Energy of its decision by providing a 30 day written notice prior to termination. NV Energy reserves the right to terminate this the Contractor's participation for any reason, including, without limitation; the Eligible Contractor fails to comply with any program rules or guidelines; the Eligible Contractor misrepresents NV Energy programs to customers and/or other parties; or the Eligible Contractor knowingly provides false or incorrect information to NV Energy. The Eligible Contractor will maintain any and all applicable license(s) and insurance coverage(s), and adhere to the requirements to do business within the state of Nevada. Eligible Contractor will also provide immediate access to documentation information. The Eligible Contractor will install solar hot water equipment in accordance with applicable statues, regulations, ordinances, codes, and accepted industry standards. The Eligible Contractor will recycle or dispose of old equipment and components resulting from the installation of solar thermal equipment in accordance with applicable statures, regulations, ordinances, codes, and accepted industry standards.
- g. Eligible Contractor and its employees shall represent and warrant that : (a) the services performed for Customer for the Program shall be performed in a good workmanlike, skilled, and professional manner; (b) the services shall comply in all material respects with the specifications and other requirements set forth in each applicable contract with Customer and in strict accordance with the

Program and this program handbook; (c) Eligible Contractor's performance of the services shall not violate any applicable law, rule, regulation, contracts with third parties, and/or any third-party rights, including, without limitation, any copyright, trademark, trade secret, or patent or similar right; and (d) Eligible Contractor is the lawful owner or licensee of any intellectual property, software programs or other material used by Eligible Contractor in the performance and delivery of the services and has all rights necessary to convey to Customer the unencumbered ownership of all work product that results from the services. NV ENERGY MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTY OF MERCHANTABILTIY AND FITNESS FOR A PARTICULAR PURPOSE, AS TO THE SERVICES, INCLUDING ANY ECONOMIC OR TECHNICAL FEASIBILTY, CAPABILTY, SAFETY, OR RELIEABILITY OF THE SERVICES CONDUCTED BY THE ELIGIBLE CONTRACTOR.

- h. Eligible Contractor will not assign any of the rights or responsibilities arising from this program handbook and NV Energy's acceptance of the Eligible Contractor's Application to any individual or entity without first having obtained the written approval of NV Energy.
- i. Eligible Contractor will not subcontract for any of the services without the prior written approval of NV Energy, and only then upon terms and conditions as NV Energy may require.
- j. In no event shall NV Energy nor its contractors, be liable to Eligible Contractor, its employees, agents, or subcontractors for any damages whatsoever (including but not limited to lost profits or interruption of business) arising out of the Program, the services or related to the Contractor Participation Agreement, even if advised of the possibility of such damages.
- k. Eligible Contractor acknowledges that neither NV Energy, nor its contractors are responsible for any tax liability imposed on the Eligible Contractor as a result of payment of eligible equipment incentives and the Eligible Contractor should consult a tax attorney to determine any potential tax liabilities as result of receiving incentives for the services performed. NV Energy and its contractors are not providing tax advice, and any communication by NV Energy or its contractors, is not intended or written and cannot be used for the purpose of avoiding penalties under the Internal Revenue Code.
- I. The application and interpretation of this program handbook shall be governed by and construed in accordance with the laws of the State of Nevada. The parties agree that the proper venue and jurisdiction for any cause of action relating to this Contractor Participation Agreement will be Clark County, Nevada.
- m. NV Energy and its agents shall not be liable for any Incentives if Eligible Contractor has provided incorrect information about the amount or conditions associated with receiving such incentives, or for incentive ineligibility resulting from equipment that is mislabeled or misrepresented by the Eligible Contractor.
- n. NV Energy reserves the right to change or cancel the Solar Hot Water Program or its terms and conditions at any time.
- 7. NV Energy reserves the right to inspect the installed equipment for compliance with the program requirements. Inspection may include a telephone survey and/or site visit at any time up to two years after installation for quality control. The Customer will allow NV Energy and its contractor's reasonable access to and egress from the installation site during normal business hours for inspection purposes. If selected for inspection, the incentive may be withheld pending outcome of the inspection. If the installation is found to be in compliance with the Program requirements, the incentive will be paid. If the installation is not in compliance, NV Energy will request additional information and/or identify any identified deficiencies. The applicant has 20 calendar days after receipt of the request to submit the requested information and/or remedy the identified deficiencies, or NV Energy will reject the Application. Applicants may resubmit an Incentive Reservation for the solar hot water system to NV Energy; however, all submittals will be treated as new Incentive Reservations and be processed in sequence with other new submittals and the program rules in effect at that time.

- 8. NV Energy retains the right to make final determination of customer eligibility, equipment eligibility, system savings, and incentive amounts.
- 9. One incentive check will be issued per approved Application to the individual or entity specified on the Application.
- 10. Qualifying equipment receiving incentives under the Program may not receive incentives or credits under any other NV Energy programs.
- 11. NV Energy is not responsible for items lost or delayed in the mail, or any incentives delayed due to incomplete or incorrect Applications.
- 12. Customer and NV Energy acknowledge that NV Energy is not responsible for any tax liability imposed on the Customer as a result of payment of the incentives and the Customer should consult a tax attorney to determine any potential tax liabilities as a result of receiving incentives for energy efficiency savings and/or energy generation measures. NV Energy and RenewableGenerations LLC are not providing tax advice, and any communication by NV Energy is not intended or written and cannot be used for the purpose of avoiding penalties under the Internal Revenue Code.
- 13. Customer acknowledges that the submission of the Application does not guarantee receipt of incentives, and that incentive amount and award will be based on the Program rules as outlined in these Terms and Conditions.
- 14. Customer acknowledges that acceptance of the incentive checks transfers all Portfolio Energy Credits (PECs) that the system generates to NV Energy.
- 15. NV Energy makes no representations and provides no warranty or guarantee with respect to the design, manufacture, construction, safety, performance or effectiveness of the newly installed equipment, including any warranties of merchantability or fitness for a particular purpose. Responsibility for delivery and workmanship related to any equipment or services the customer procures exclusively rests with the contractor selected by the Customer. NV Energy assumes no responsibility for oversight of contractor services.
- 16. Customer, at its own expense, shall obtain and maintain licenses and permits needed to install eligible equipment. Failure to maintain necessary licenses and permits constitutes a material breach of Customer's obligations.
- 17. NV Energy shall own all data, reports, information, computer programs or other written, recorded, photographic or visual materials, or other deliverables produced in performance of the Program.
- 18. Notwithstanding any other provision of this Application, neither NV Energy nor its contractors shall be liable to the Customer either directly or through the Indemnity provision of these Terms and Conditions, for special, incidental, or consequential damages (even if advised of the possibility of such damages), including without limitation loss of use or loss of profits.
- 19. Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of any such obligation is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of such Party. In such event, the performance and terms of the program handbook and Application shall be equitably adjusted.

- 20. These Terms and Conditions set forth herein shall be governed by and construed in accordance with the laws of the State of Nevada. The parties agree that the proper venue and jurisdiction for any cause of action relating to this Application will be Clark County, Nevada.
- 21. Conditions set forth herein constitute a complete statement of the Terms and Conditions applicable to the Program, and supersede all prior representations or understandings, whether written or oral. NV Energy shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind that is not set forth herein. NV Energy reserves the right to change or cancel the Program or its terms and conditions at any time.
- 22. NV Energy reserves the right to modify or withdraw this Program, its Terms and Conditions, and its incentives at any time.

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FOR MORE INFORMATION

Toll Free: 866-786-3823

NVEnergy.com/solarheating

renewablegenerations@nvenergy.com

The RenewableGenerations website contains all forms needed to complete the application and incentive claim process. Participants will also find useful links for solar energy, finance planning, contractor selection, and more. Please call or email us with any questions.

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DEFINITIONS & TERMS

Applicant: Either the NV Energy Host Customer or the individual designated by the Host Customer.

Confirmation Notice: The notice sent by NV Energy to School and Public and Other Property applicants confirming the original Reservation Notice if the applicant meets the 90 and 270 timeline requirements.

Host Customer: The name of the customer on the NV Energy electric bill.

Designated Applicant: An individual or entity who is designated by the NV Energy Host Customer to apply to the RenewableGenerations incentive program on the Host Customer's behalf.

Electric Grid: The distribution network of NV Energy.

Eligible Contractor: A person who has satisfied the requirements set forth by the Commission regulation and NV Energy.

Host Customer: The NV Energy customer of record at the location where the solar energy system will be located. This is the name of the customer on the NV Energy bill.

Incentive: Money paid for completing a qualifying renewable energy system in the RenewableGenerations program.

Incentive Claim Package: The collection of final documents submitted by an applicant in order to claim an incentive.

kWh: A kilowatt hour (kWh) is the unit by which residential and most business customers are billed for monthly electric usage. One kWh represents the use of one kilowatt of electricity for one hour.

Non-Profit Entity: See Public and Other Property.

Owned, **leased** or occupied: Any real property, building or facilities which are owned, leased or occupied under a deed, lease, contract, license, permit, grant, patent or any other type of legal authorization.

Participant: A person who has been selected to participate in the Solar Hot Water program.

Portfolio Energy Credit (PEC): A measured unit that represents one kilowatt hour (kWh) of renewable energy. Formerly called Renewable Energy Credit (REC).

Post-Installation Inspection: Verification conducted by NV Energy to verify installed system meets program requirements, including siting and system energy savings.

Program year: A calendar year cycle.

Purchase Order: A commercial document issued by a buyer to a seller, indicating types, types, quantities, and agreed prices for products or services the seller will provide to the buyer. Sending a purchase order to a supplier constitutes a legal offer to buy products or services. A purchase order becomes a binding contract upon acceptance or performance by a supplier.

Public and Other Property: Any real property, building or facilities which are owned, leased or occupied by:

- a) A public entity;
- b) A nonprofit organization that is recognized as exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), as amended; or
- c) A corporation for public benefit as defined in <u>NRS 82.021</u>.

The term includes, without limitation, any real property, building or facilities which are owned, leased or occupied by:

- a) A church; or
- b) A benevolent, fraternal or charitable lodge, society or association.

The term does not include school property.

Public Entity: A department, agency or instrumentality of the State or any of its political subdivisions.

Public Property: Any real property, building or facilities owned, leased or occupied by:

- 1. A department, agency or instrumentality of the State or any of its political subdivisions which is used for the transaction of public or quasi-public business; or
- A nonprofit organization that is recognized as exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), as amended, or a corporation for public benefit as defined in NRS 82.021.

Request for Proposal: A formal written statement which sets forth the requirements and specifications of a contract to be awarded by competitive selection

Reservation Notice: The notice sent to applicants for whom NV Energy has made an incentive reservation.

School Property: Any real property, building or facilities owned, leased or occupied by:

- 1. A public school as defined in NRS 385.007;
- 2. A private school as defined in NRS 394.103; or
- 3. An institution of higher education.

Small Business: A business conducted for profit which employs 500 or fewer full-time or part-time employees.

System Owner: The owner of the generating system at the time the incentive is paid.

Therm: Therm is the unit of measurement by which natural gas customers are billed for monthly usage. One Therm is equal to 100,000 Btu's.

Utility: NV Energy

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