2026 Commercial and Industrial Standard Offer Program

Program Manual

Version 27.1

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SECTION I. PREFACE

This document describes the CenterPoint Energy (CNP) 2026 Commercial &Industrial (C&I) Standard Offer Program. Section I introduces this manual. Section II provides a general introduction to the C&I Standard Offer Program, including background information, program eligibility requirements, incentive payments, and the participation process.

CenterPoint, at its discretion, may make changes to this manual anytime during the program year. It is the responsibility of the Sponsor to read in its entirety and fully understand the 2026 C&I Standard Offer Program Manual. The most current program information, including application materials, will always be available at the C&I Program Web Site: https://csop.customerapplication.com. For questions or clarification, you may contact the Program Manager.

The program operates on a year-round basis and will accept project applications at any time, subject to the availability of program funds. There is no formal application submission deadline. Project Sponsors are encouraged to submit applications as early as possible to ensure incentive availability and allow sufficient time for project completion within the program year.

Incentive funds will be reserved and allocated on a **first-come, first-served basis**, contingent upon receipt of complete and eligible applications. Once program funds are fully committed, additional applications may be placed on a waitlist or deferred to the next program year, at the discretion of the CenterPoint Energy.

Any extensions to project completion timelines, or requests that deviate from standard program requirements, will require prior review and approval by the Program Manager.

SECTION II. PROGRAM GUIDELINES & PARTICIPATION

1 INTRODUCTION

1.1 Overview

The 2026 C&I Standard Offer Program was developed by CenterPoint Energy to provide incentives for the installation of a wide range of measures that reduce peak demand and save energy in non-residential facilities and go above and beyond the efficiency gains typically achieved in retrofit or replacement projects. Consequently, energy and demand savings credit will be based only on reductions that exceed current industry accepted minimum efficiency standards if such standards apply. In cases where standards do not exist, savings credit will be based on improvements relative to a customer's energy use prior to participating in the program. Incentives are paid based on deemed savings or verified demand and energy savings that occur at CenterPoint Energy's C&I customers' facilities. This program has been developed to comply with Texas' Texas' energy efficiency goals as outlined by the Public Utility Commission of Texas (PUCT) Substantive Rule §25.181. Participants in the 2026 C&I Standard Offer Program must meet the eligibility criteria, read this manual, comply with all program rules and procedures, and enter into a Standard Agreement with CenterPoint Energy.

1.2 Background

In 1999, the Texas Legislature passed Senate Bill 7 (SB7), which restructures the state's electric utility industry. The bill requires each investor-owned electric utility to reduce Texas customers' energy consumption by a minimum of 10% of the utility's annual growth in demand each year. Utilities must achieve this goal through standard offer programs or limited target market transformation programs that will result in reduced energy consumption. In March of 2000, the PUCT passed Substantive Rule §25.181, which implements the energy efficiency goal of SB7. Interested parties, the state's investor-owned utilities, and PUCT staff then developed templates for energy efficiency programs that were adopted and are now offered and administered throughout Texas by the investor-owned utilities. In September of 2007, House Bill 3693 set new Energy Efficiency Goals for electric utilities in Texas. The bill requires each investor-owned electric utility to reduce Texas customers' energy consumption by a minimum of 30% of the utility's annual growth in 2014. Utilities must achieve this goal through standard offer programs or limited target market transformation programs that will result in reduced energy consumption.

1.3 Goals

The main goal of the C&I Standard Offer Program is to reduce peak demand at CenterPoint Energy's distribution customer sites and reach the demand reduction goals established by Senate Bill 1125. Secondary program goals that are reflected herein, include:

- Encourage private sector delivery of energy efficiency products and services.
- Encourage customer energy and bill savings.
- Stimulate investment in efficient technologies most likely to reduce CenterPoint Energy's peak capacity requirements during 2026. Create a simple and streamlined program process, to stimulate strong program participation from energy service providers.
- Minimize the burden of M&V requirements associated with standard offer programs by offering deemed or simple savings calculations for many measures.
- Diversify portfolio to include non-traditional measures which hardly or never appear in the program.

2 GUIDELINES

2.1 Key Changes for 2026

CenterPoint Energy strives to adhere to all rules and regulations established in the Technical Resource Manual (TRM) as administered by the PUCT. In line with this effort, CenterPoint Energy reviews its Energy Efficiency Programs and evaluates general program recommendations annually. The outcome of this review may result in periodic updates to this manual.

It is the responsibility of the Sponsor to read the 2026 C&I Standard Offer Program Manual in its entirety and to fully understand changes from the previous year's program.

For your convenience, key changes reflected throughout were compiled in this section and include:

- New Measures
  - Commercial Electric Foodservice Equipment, see table 7 & 8.

The following guidelines will remain in effect:

- Type B LED retrofits are eligible.
- Lamp retrofit must include a clearly marked label which indicates it has been retrofitted.
- Option to take area wide photo of lighting retrofit, good for up to 120 days.
- Helps prevent deduction for burn out lamps post initial audit.
- Photo must be date/time stamped.
- New incentive rates for renewables.
- At CenterPoint Energy's discretion, M&V projects will receive incentive upon completion of M&V activity.
- Project Sponsors will be evaluated based on project performance.
  - Favorable reviews could result in fewer on-site inspections.

    - Poor reviews could result in removal from the 2026 program
- Continue to follow the current Technical Resource Manual (TRM).
- In addition to DLC/Energy Star®, LED may opt to use an independent lab test. i.e. LM-79, LM-80, TM-21, ISTMT.
- In addition to photocell, timers and wireless controls are acceptable for exterior lighting.
- When using timers.
    - Operating hours will be reflected as programmed.
    - Deemed hours are set at 1,998 hours/year.
    - Max hours may not exceed those achieved by photocell.
- Audits shall remain the sole responsibility of the project sponsor.
- Project Sponsor **must** provide a 48-hour minimum notification via Vison DSM's work schedule process for pre-inspection.
- All Retrofit project applications require pre-inspection.
- Failure to do so could result in project cancellation.
- Request proof of purchase for every project application.
- Chiller projects must submit proof of purchase.
- New commercial projects must exceed the latest City of Houston Energy Code, (IECC 2021).
- Lighting retrofits which occurred in previous years are eligible, provided the savings meet minimum requirements.
- Small projects will have a milestone schedule to avoid project cancellations.
    - After submittal, an email will be sent for follow up documentation, there will be 10 days to respond.
    - Small commercial projects must complete installation 45 days after approval of the project application.
- Installation completion before the submittal of an application is disqualified for incentives.
- Project Sponsors will submit a screenshot, showing the model number, of a LED fixture certification document.
- For commercial HVAC measures, the baseline for the "Early Retirement" project will be set by the age of the replaced system, while the baseline efficiency for the "Replacement on Burnout" and "New Construction" is set by the Federal or manufacturer Standard.
- Part load efficiency levels of the new cooling equipment, whenever applicable standard is available, will be required.
- Cut sheets, square footage and all pertinent documents are due at the time of project submittal.

2.2 Eligibility

2.2.1 Sponsor

Any entity that installs eligible energy efficiency measures at a facility with non-residential electricity distribution service provided by CenterPoint Energy is eligible to participate in the 2026 C&I Standard Offer Program as a Project Sponsor. Eligible Project Sponsors may include:

- National or local energy service companies (ESCOs).

- Local contractors.
- National or local companies that provide energy-related services or products (such as lighting or HVAC equipment).
- Commercial property developers.
- Design/build firms.
- Architectural and engineering firms.
- End Use customers who install measures in their own facilities.

Customers located within CenterPoint Energy's service territory may qualify to participate in the program if they are:

- Any commercial and industrial customer taking service at a metered point of delivery at a distribution voltage (<69 kV) under an electric utility's tariff during the prior calendar year.
- Large Commercial Customer: Owns or operates a single site with a total maximum peak demand of **more** than 100 kW or multiple sites with a combined maximum peak demand **greater** than 250 kW.
- Small Commercial Customer: Owns or operates a single site with a total maximum peak demand of **less** than 100 kW.
- Multifamily/Strip Center Customer: Owns a single location space which may have multiple meters servicing common areas. The maximum peak demand must be more than 100kW.

Participant customers may host a project developed by a qualified Project Sponsor or choose to sponsor a project independently. **If a participant customer elects to work with a Project Sponsor, the two must enter into a signed agreement exclusive of CenterPoint Energy.**

All Project Sponsors will be required to demonstrate a commitment to fulfilling program objectives and competency in completing projects. Project Sponsors will be required to submit a description of the Project Sponsor firm, including relevant experience, areas of expertise and references. A work plan that covers the design, implementation, operation, and management of the project.

CenterPoint Energy will also consider a Project Sponsor's performance in past or current CenterPoint Energy efficiency programs. A poor performance history may jeopardize a Project Sponsor's acceptance for participation or continuation in the 2026 C&I Standard Offer Program. For more information regarding Sponsor Evaluation see section 2.4.4.

2.2.2 Project

A project is defined as a set of proposed or installed measures at an eligible site or combination of sites. For a site to be eligible for a project, Sponsors must be able to provide reasonable access to project facilities for inspection before and during installation and after project completion. All projects must meet the following requirements:

Large commercial projects:

- For Large Commercial and Multifamily customers, each project of one site must provide a total estimated peak demand reduction of at least 15 kW or annual energy savings of at least 100,000 kWh. This limitation is included to ensure that projects contribute to the primary program goal of reducing peak demand and to minimize the administrative costs associated with smaller projects.
- For projects with incentives paid based on verified demand and energy savings, peak demand savings must be measured within the peak demand period. M&V of energy savings may continue for up to 12 months and carry into the following year.

Small commercial projects:

- Must include facilities with a maximum peak demand of less than 100 kW (or 250 kW combined for multiple sites in the same project).
- Each project must provide a total estimated peak demand reduction of up to 15 kW or 100,000 kWh.
- Do not have a minimum savings requirement.
- Are limited to deemed savings calculations only.
- Require Sponsors to answer CenterPoint Energy inquiries in a timely manner, 15 days or less. Failure to respond within this period may result in project cancellation.
- Must complete project within 45 days of the PA approval date or final program year installation date, whichever comes first.

New construction projects:

- New construction projects must demonstrate compliance with local, state, or federal codes, whichever is more stringent. Projects using the Energy Cost Budget Method to demonstrate code compliance will be considered for program participation on a case-by-case basis.
- Application should be entered when the temporary meter is installed.
- Permanent meter information should be updated once the permanent meter is set.
- Project is eligible for incentive in the year the permanent meter is set.
- Building must be at least 75% occupied to be eligible for incentive.
- Encouraged to apply for all applicable measures where incentives are applicable.
- Deemed savings, Simplified M&V, and Full M&V are acceptable measurement calculations.
- Projects for Small Commercial customers are expected to have a reduced scope of work. As such, the participation requirements in the program are simpler and outlined in this section.

2.2.3 Measure

Most energy-efficiency measures in retrofit or new construction applications that reduce electric energy consumption and peak demand are eligible for the C&I Standard Offer Program. CenterPoint Energy does not specify eligible measures in order to provide Project Sponsors flexibility in packaging services. Therefore, Project Sponsors may propose the inclusion of any measure in their project that meets the following requirements:

- Measure may produce a measurable and verifiable electric demand reduction during the peak period(s) or may reduce electricity consumption or may produce both peak demand and energy savings.
- Measure must produce savings through an increase in energy efficiency or a substitution of another energy source for electricity supplied through the transmission and distribution grid.
- Measure must exceed minimum equipment standards as established in the latest Texas Technical Resource Manual (TRM).
- Measures may provide for self-generation using renewable technologies, such as:
  - Solar
  - Wind
  - Geothermal
  - Hydroelectric
  - Wave/tidal
  - Biomass
- At least 75% occupancy ratio of the building is required.
- Projects involving combined heat and power (CHP) will be reviewed on a case-by-case basis for qualification by CenterPoint Energy. In general, project incentives will be paid only for energy and demand savings directly related to end-use equipment installed as part of the project. Measures that generate savings from interactive effects between end-use equipment will be considered on a case-by-case basis. The exception is that savings due to interactive effects between lighting and a space-cooling measure are eligible based on a stipulated value in cases where lighting measures have been installed in a cooled space as part of the project.

Table 1 Provides examples of eligible measures. CenterPoint Energy will consider any measures that are not listed in **Table 1** for program eligibility on a case-by-case basis.

Table 1. Examples of Eligible Measures and Projects

Eligible Measure	Applicable M&V
Chiller replacement	Deemed, Simplified, Full
Packaged cooling unit replacement	Deemed, Simplified, Full
Constant air to variable air-side conversions	Simplified, Full
Fan and pump motor efficiency upgrades	Deemed, Simplified, Full
Fan and pump variable speed drive (VSD) installations	Simplified, Full
Heat pipes, enthalpy wheel and other forms of energy recovery	Simplified, Full
High-efficiency fluorescent lighting that replaces less efficient lighting	Deemed, Simplified
Exterior lighting under a roof/ceiling (e.g. loading dock)	Deemed
Exterior lighting, e.g. parking lot	Deemed,
Lighting controls to reduce operating hours	Deemed, Simplified
CFLs with hard-wired ballasts or permanent socket conversions	Deemed, Simplified
Air cooling and refrigeration compressor replacement	Simplified, Full
Refrigerated case doors	Simplified, Full
Motor-efficiency upgrades	Deemed, Simplified, Full
Cogeneration projects	Simplified, Full
Renewable technologies (solar, wind, tidal, geothermal, etc.)	Simplified, Full
Fuel switching from electric to gas (net energy use must decrease, e.g. gas-fired booster heaters in dishwashers)	Simplified, Full
Cooling towers	Simplified, Full

*M&V method must be approved by CenterPoint Energy

Examples of ineligible measures include:

- Screw-in CFLs with no socket conversion.
- LED A style tube lamps.
- Delamping.
- Redundant equipment (i.e., backup chillers).
- Electric equipment with decoupled self-generation.
- Fuel switching to electric.
- Load reductions caused by building vacancies, decreased production, or other changes in occupant characteristics or behavior.
- Measures that decrease building plug loads, such as computer inactivity time-out controls
- Load shifting.
- Operations & Maintenance measures such as filter change-outs in air-handling

units, cleaning of cooling coils, etc.

- Measures that require no capital investment.
- Measures that receive incentives from other CNP programs.
- Measures installed outside of the required work schedule, with minimum 48-hour notice.

2.2.4 Efficiency Standards

The C&I Standard Offer Program is designed to encourage electric energy-efficiency improvements that go above and beyond the efficiency gains typically achieved in retrofit or replacement projects. Consequently, energy and demand savings credit will be based only on reductions that exceed current industry accepted minimum efficiency standards if such standards apply. In cases where standards do not exist, savings credit will be based on improvements relative to a customer's energy use prior to participating in the program.

Cooling Equipment

If the project is to replace the burnout cooling equipment with new equipment, the baseline efficiency level will be the current Federal Standard.

If the project is to replace the early-retired cooling equipment with more efficient equipment, the baseline efficiency will be the applicable ASHRAE 90.1 efficiency standard of the year when the replaced system is manufactured.

Lighting Equipment

Post-retrofit systems using T-12 electronic ballasts or standard T8 electronic ballasts are not eligible for incentives and all post-retrofit technologies must use reduced wattage T-8 systems or high-performance T-8 systems and meet the High Performance and Reduced Wattage lamp efficiency specifications developed by the Consortium for Energy Efficiency (CEE) as published on the CEE website and the NEMA Premium specifications for ballasts. This will be a requirement for all T8 systems. LED fixtures are required to be on the DesignLights Consortium™, DOE LED Lighting Facts, or Energy Star© qualified product list or have independent lab testing (LM79, LM80, TM-21, ISTMT) to quantify the fixture wattage and lifespan. **Rebranded LED fixtures must be qualified under the rebranded company name.** Transferring the qualifications across manufacturers is not allowed under the Program. The LED fixture must be certified at the time of project submittal. No project will be allowed to reserve funds for pending certifications. The lighting fixtures which will be ineligible for incentives are listed in Table 2 below.

Table 2. Ineligible Lighting Fixtures

Incandescent
Screw-in CFL w/o socket conversion
T8 (non-CEE) w/ Magnetic Ballast
T8 (non-CEE) w/ Electric Ballast
Screw-in LED Lamps
Type A tube style LED lamps for replacements in fluorescent fixtures
T12
HPS, Mercury Vapor - all wattages
PSMH (Pulse Start Metal Halide) fixtures less than 500 watts
Standard MH probe-start fixtures

Table 3 and Table 4 list applicable baseline standards for Retrofit and New Construction projects. Regardless of whether the project is a retrofit or a new construction application, the newly installed equipment must exceed the current City of Houston C&I Energy Conservation Code, to qualify for incentives.

Table 3. Baseline equipment efficiency standards for Retrofit projects

Equipment Type	Applicable Baseline Standard
Cooling Equipment - (Early Retirement)	Applicable ASHRAE 90.1 Efficiency Standard or IECC code of the year when replaced system is
Lighting	Table of Standard Fixture Wattages (based on EISA 2007, EPAct 2005 and PUCT Rule)
Motors	ASHRAE 90.1m-1995
Building Envelope	IECC 2003, IECC 2009, IECC 2015

Table 4. Baseline equipment efficiency standard for New Construction projects

Equipment Type	Efficiency Requirement
Cooling Equipment (Replace on Burnout, New Construction)	Current City of Houston Commercial Energy Conservation Code
Lighting	
Motors	
Building Envelope	

2.3 Incentives

2.3.1 Available Budgets

CenterPoint Energy has an incentive budget for the C&I Standard Offer Program each calendar year. The yearly incentive budget as well as updates on available funding will be published on the program website at: http://csop.customerapplication.com.

CenterPoint Energy's C&I Standard Offer Program provide standard incentives based on measure type. The standard variable incentive rates are listed in Table 5 on the following page.

Table 5. Standard Variable Incentive Rates

MEASURE TYPE	$/KW	$/KWH
LIGHTING – FLOURESCENT, HID, CFL, HALOGEN	$110.00	$0.03
LIGHTING – LED*	$207.00	$0.06
COOLING – DX UNITS	$317.00	$0.11
COOLING – CHILLER	$374.00	$0.11
COOLING – OTHER**	$276.00	$0.11
MOTOR	$180.00	$0.07
VFD	$200.00	$0.06
WINDOW FILM	$180.00	$0.06
REFRIGERATION	$220.00	$0.06
ROOFING	$240.00	$0.09
RENEWABLES (IE SOLAR, WIND)	$200.00	$0.03
OTHER MEASURES	$200.00	$0.07
ENERGY STAR® LEVEL 2 OR HIGHER ELECTRIC VEHICLE CHARGER	*** $80.00 FLAT RATE UP TO 100 UNITS.	

* Type A lamps are excluded from incentive.
** Cooling measures other than Chillers or DX units may fall in this category.
*** 101 or more Energy Star® Level 2 or higher electric vehicle charger units installed will be paid using other measures rates.

Table 6. Foodservice Equipment Incentive Rates (Dishwashers)

Equipment type	Electric Water Heating	Gas Water Heater
Commercial Dishwasher Stationary single-tank door	$1,300.00	$600.00
Commercial Dishwasher Multi-tank rack conveyor	$1,300.00	$600.00
Commercial Dishwasher Single tank rack conveyor	$1,300.00	$600.00
Commercial Dishwasher Pot, pan and utensil	$250.00	$50.00

Commercial Dishwasher Under counter	$250.00	$50.00

Table 7. Foodservice Equipment Incentive Rates (other equipment)

Equipment	Equipment Description	Incentive
Commercial ice maker	300–799 lbs. ice/day	$100.00
Commercial ice maker	800–1499 lbs. ice/day	$150.00
Commercial ice maker	≥1500 lbs. ice/day	$250.00
Combination oven	Pan capacity 5–14	$650.00
Combination oven	Pan capacity 15–20	$1,300.00
Convection oven	Full size	$200.00
Fryer	Large and standard vat	$400.00
Steam cooker	3-pan capacity	$1,300.00
Steam cooker	4-pan capacity	$1,500.00
Steam cooker	5-pan capacity	$1,700.00
Steam cooker	6-pan capacity or greater	$1,900.00
Electric griddles	Single-sided per ft^2	$65.00
Electric griddles	Double-sided per ft^2	$75.00
Hot food holding cabinet	Full size	$800.00
Hot food holding cabinet	Three-quarter size	$400.00
Refrigerator	Up to 14.99 ft^3 (transparent only)	$50.00
Refrigerator	15–29.99 ft^3	$50.00
Refrigerator	30–49.99 ft^3	$100.00
Refrigerator	≥50 ft^3	$150.00
Freezer	Up to 14.99 ft^3	$50.00
Freezer	15–29.99 ft^3	$150.00
Freezer	30–49.99 ft^3	$250.00
Freezer	≥50 ft^3	$350.00
Demand control kitchen ventilation	Per (exhaust) HP	$600.00
Zero-energy doors for refrigerated cases	Low temperature	$150.00
Zero-energy doors for refrigerated cases	Medium temperature	$30.00
Electric deck ovens (retrofit only)	All sizes	$550.00
Hand wrap machines (retrofit only)	All sizes	$80.00
Radiant 120 volt	Conveyor toasters (retrofit only)	$200.00
Radiant 208/240 volt	Conveyor toasters (retrofit only)	$450.00
Product case per unit	Product case per unit	$300.00

Incentive Limitations

Maximum Sponsor Incentives

To promote equitable access to incentives among multiple energy efficiency service providers, no Project Sponsor, or combination of affiliated Project Sponsors, shall reserve or receive more than twenty percent (20%) of the total Commercial and Industrial (C&I) Standard Offer Program incentive budget within a given program year.

Exceptions to this limitation may be granted at the discretion of CenterPoint Energy when it is determined that approving incentive amounts exceeding the 20% threshold supports overall program objectives, maintains program continuity, or enhances participation levels.

2.3.2 Payments

For projects using only deemed savings, requiring no M&V activities beyond installation, the Project Sponsor is eligible to receive 100% of the project incentive payment after the project is installed and approved by CenterPoint Energy. For all other projects, M&V activities must be completed, documented, and accepted before the Project Sponsor will receive the remaining incentive payment, based on the one-year verified savings. CenterPoint Energy, at its discretion, will pay the Project Sponsors in two installments: The Installation Payment and the Performance Payment. After each project is installed and approved by CenterPoint Energy, the Project Sponsor will receive an initial payment of 40% of the total estimated project incentive payment. This initial "Installation Payment" will be calculated as follows:

$$Installation\ Payment\ (\$) = 40\% \times [(kW_{saved} \times \$/kW) + (kWh_{saved} \times \$/kWh)]$$

This "performance Payment" may be up to 60% of the total estimated incentive payment, and will be calculated as follows:

$$Performance\ Payment\ (\$) = 60\% \times \left[\left(kW_{\boldsymbol{saved,verified}} \times \$/kW\right) + \left(kWh_{\boldsymbol{saved,verified}} \times \$/kWh\right)\right] - Installation\ Payment$$

2.3.3 Fuel Switching Measures

Projects involving fuel switching measures require special consideration when calculating incentives. Projects involving fuel switching (i.e., electric chillers to gas or absorption chillers) are eligible for the program, provided the project results in overall lower energy costs, lower energy consumption, and the installation of high-efficiency equipment. Incentive payments will be based on the electric demand savings and energy savings of the project, adjusted by the amount of new fuel consumption. Refer to the M&V Guidelines, Section III, Chapter 6, to determine how to calculate fuel switching demand and energy savings. For all fuel switching projects, it will be the responsibility of the Project Sponsor to establish the baselines, which must be approved by CenterPoint Energy, and will be considered on a case-by-case basis. As noted, fuel switching to electric is not an eligible retrofit measure.

2.4 Program Compliance

Project Sponsors are expected to understand and adhere to the C&I Standard Offer Program rules as outlined herein. Should a Project Sponsor repeatedly demonstrate a poor understanding of these rules by failing to adhere to them, this may, at CNP's discretion, result in reduction of estimated incentives, project cancellation, and/or suspension from the program. Suspension could span the program year or remain permanent.

2.4.1 Communication Standards

It is CenterPoint Energy's priority to maintain open communication with Program Sponsors participating in its Energy Efficiency Programs. To maintain accurate contact information, and timely and effective communication, CenterPoint developed the following Communication Standards:

- CenterPoint Energy will conduct correspondence ***only*** with representatives from the Project Sponsor's organization listed in the Standard Offer Participation Agreement.
- A representative of the Project Sponsor must register as the primary contact in the online database system Vision DSM.
- No more than 5 representatives per company may have logins in the Vision DSM website.
- No third-party companies shall act as an intermediary for correspondence between CenterPoint Energy and the Project Sponsor.
- Individuals that are not employed or members of sponsoring company/customer (self-sponsor) will not be allowed to submit or request information/documentation on any project application.
- Require Small Commercial Sponsors to answer CenterPoint Energy inquiries in a timely manner, 10 days or less. Failure to respond within the time-period may result in cancellation of the project.
- If a project falls outside of program guidelines, a formal request outlining the reason for the exemption must be submitted and approved by CenterPoint Energy.

2.4.2 Correspondence and Submittals

Project Sponsors will submit most project information to CenterPoint Energy using Vision DSM, the Web-based project application system. Some required submittals must only be sent to CenterPoint Energy in hard copy and are typically collected by an inspector at the time of final site inspection. Questions or comments about the program may also be submitted by e-mail to the Program Manager. See Table 8 below.

Table 8. Addresses for electronic correspondence

Submittal type	Mechanism	Address or location
Program Related Questions or	e-mail	nora.luna@centerpointenergy.com
Technical Questions	e-mail	timothy.griffin@centerpointenergy.com

On-line System Related Questions or Comments	e-mail	CNPEE@centerpointenergy.com

2.4.3 *Internet Sites*

The C&I Standard Offer Program Web site at http://csop.customerapplication.com/ will serve as the primary source for all updated program information and materials. The Web site will include:

- Information that describes the program process and requirements.
- Status updates on program funding available and committed.
- Downloadable program manual, calculation workbooks, and links to the latest Texas Technical Resource Manual (TRM).
- A link to the 2026 on-line project application system, Vision DSM.

2.4.4 *Project Sponsor Evaluation*

As a participant in the C&I Standard Offer Program, Project Sponsors agree to perform exceptional work to meet the goals of the program. To maintain exceptional projects, CenterPoint Energy will evaluate each project by reviewing project submissions and progress and provide feedback to the Project Sponsor. The evaluation will be based on the following:

- Acceptable:
  - Quality issues in the initial submission are within allowances.
    - ❖ Inspections find less than 10% difference between reported and actual equipment.
    - ❖ All installed equipment meets efficiency standards.
  - No differences between equipment cut sheets given to CenterPoint Energy and installed equipment.
  - Installation commences within timeframe given in the PA approval letter.
  - CenterPoint Energy is notified about the start of installation with a minimum 48 hours in advance.
  - All and any requested documentation to be submitted upon request in one response within 15 days of initial request. Partial documentation will not be accepted.
- Needs Improvement:
  - Quality issues in the initial submission are above allowances.
    - ❖ Inspections find greater than 10% difference between reported and actual equipment.
    - ❖ Installed equipment does not meet efficiency standards.
- Noted differences between approved equipment (submitted cut sheets) and installed equipment.
- CenterPoint Energy is not notified of installation start date/time via Vision DSM.

Satisfactory Project Sponsor performance will be defined according to the number of 'Needs Improvement' ratings—no more than 3 will be allowed within the same program year. **If the maximum number of allowed 'Needs Improvement' ratings is exceeded, the Project Sponsor will be suspended from program participation.** Permission to resume participation in the program may be given at the sole discretion of CenterPoint

Energy. If the Sponsor would like to resume participation, CenterPoint Energy advises the Sponsor to review the program requirements and communicates those requirements within its company, and to its sub-contractors, submits a written request for consideration for reentry into the program to the Program Manager. This request should indicate that the Sponsor understands the reasons for the suspension, and the measures taken to avoid reoccurrence on future projects. If a project falls outside of program guidelines, a formal request outlining the reason for the exemption must be submitted and approved by the CenterPoint Energy.

A sample of issues and actions are presented in Table 9.

Table 9. Project Issue List

PROJECT CONCERN	CENTERPOINT ACTION
On-site inspection different from submitted calculation/documents.	Update Savings based on inspection result; Sponsor file noted.
Inspection results in more than 10% difference.	Noted in Project Sponsor file for future action should it become repetitive.
Installation begins before work-schedule, or no work-schedule entered.	Remove any installed fixture from project scope, project cancels if minimums are not met.
Additional inspection required due to Project Sponsor error.	Noted in Project Sponsor file for future action should it become repetitive.
Equipment does not meet minimum efficiency standards	Remove equipment from project scope.
Inspection not complete due to lack of material or required equipment.	Noted in Project Sponsor file for future action should it become repetitive.

3 PARTICIPATION PROCESS

3.1 Overview

This chapter provides information on participating in the CenterPoint Energy 2026 C&I Standard Offer Program including the program process, required submittals, and milestones. The Program is available year-round and prospective participants may submit Sponsor Applications on a first-come, first-served basis until all funds have been committed. Applications submitted after all funds have been committed will be placed on a waiting list. Projects will move on a first come, first serve basis to the active list as funds become available. Projects not completed within the current program year, will rollover to the following program year.

3.2 Phases of Participation

To participate successfully in the program a Sponsor will know and understand all phases of participation and how to accomplish them in order. This section will address each phase, explaining the tools used, required deliverables, and actions needed to complete a project successfully. CenterPoint, at its discretion, may make changes to this section anytime during the program year or require more information from a Sponsor on a specific project. For a printable checklist, see Appendix B.

3.2.1 Minimum Deliverables

The following presents a summary of the steps and minimum deliverables needed from the Sponsors to fully complete a project. It is **imperative** that Sponsors follow these steps during the project process. ***Failure to adhere to these steps will result in adjustments to the project incentives or cancellation of the project.***

- ❒ Register in Vision DSM database.
- ❒ Complete C&I Standard Offer Program participation application in Vision DSM.
- ❒ Sponsors acknowledge in Vision DSM that they have read and understand the current program manual.
- ❒ Upload any vendor forms (W9, etc.) to Vision DSM.
- ❒ Upload the signed CenterPoint Energy Participation Agreement agreeing to the terms of C&I Standard Offer Program.
- ❒ Secure eligible project with your customer.
- ❒ Complete a project application in Vision DSM.
- ❒ Sponsors are required to ensure any project savings information is accurate. For example, Sponsors should audit the lamp counts and wattages for any lighting project to ensure accuracy.
- ❒ Upload the project documentation to Vision DSM. Project review includes any cutsheets, calculation tools, lamp qualifications, and M&V plans.
- ❒ Receive Project Approval (PA) email and the Project Authorization Form (PAF) from CenterPoint Energy via Vision DSM. **DO NOT** start project until the time scheduled in Vision DSM in the following steps.
- ❒ End User forwards acknowledgement of project via the PAF email.
- ❒ Enter the work schedule in Vision DSM, allowing 48 hours before installation begins. If unable to submit work schedule, Sponsor should email Program Manager.
    - ❒ Notes added to Vision DSM will not be accepted.
- ❒ During the inspection, a customer representative of the site should be available to sign an inspection form indicating the inspection was performed. Complete installation of measures and notify CenterPoint Energy via Vision DSM when installation is complete.
- ❒ Where applicable, conduct any M&V
- ❒ Be available for any necessary post-installation inspection.
- ❒ Submit proof of purchase.

3.2.2 Project Sponsor Registration

Any prospective sponsor who meets the eligibility criteria listed in section 2.2 and would like to participate in the C&I Standard Offer Program must first register with CenterPoint Energy to gain access to the on-line application system, Vision DSM, CenterPoint Energy's program management database. Project Sponsors may go on-line to register at any time. For the on-line registration process, be prepared to provide the following information:

- Project Sponsor Company,
- Project Sponsor Company's Federal Tax ID,
- The Designated Primary Contact for the Project Sponsor Company,
- The Designated Primary Contact's Information (phone, e-mail),
- End User (site contact) (phone, e-mail),
- Completed Vendor Form,
- Signed Commercial and Industrial Standard Offer Participation Agreement,
- Current W-9,
- Sub-Contractor contact information (phone, email),
- A Phone Number for the Project Sponsor Company (if different from Primary Contact).
- Description of the Project Sponsor firm, including relevant experience, areas of expertise, and total number of employees. Description may include references, customer affidavits, or other evidence of Project Sponsor's competency from previous projects.
- Descriptions and references for at least three comparable projects, including information about the year the projects were undertaken, the services provided, and the estimated and actual performance of the energy-efficiency equipment.
- Evidence that the Project Sponsor possesses all applicable licenses[1] (Hard Copy should also be provided upon request).
- Evidence that the Project Sponsor possesses all required insurance (Hard Copy should also be provided upon request).
- Evidence of Project Sponsor's good credit (Hard Copy should also be provided upon request).
- Disclosure of any legal judgments entered against the Project Sponsor in the previous two years, as well as a current list of pending litigation filed by or against the Project Sponsor.
- Sponsors acknowledge in Vision DSM that they have read and understand the current program manual.
- Be able to select the Program(s) of interest and the service(s) offered.

Once the Program Application is complete, Vision DSM will issue an automatic approval. CenterPoint will review the Program Application documentation upon submittal of a valid project application and either approve or deny the prospective Sponsor. If denied, CenterPoint will provide the reason for denial.

After log-in credentials are set-up and the prospective sponsor is registered in Vision DSM, the prospective Sponsor can then submit a Program Application.

[1] Not required of customers who install measures in their own facilities.

3.2.3 Program Application

The Vision DSM Training Guide for the on-line application system, Vision DSM, can be found on the web portal. To participate in the 2026 C&I Standard Offer Program, Project Sponsors must submit a Project Application using Vision DSM. CenterPoint will assess projects for eligibility and tentatively reserve incentive funding for each approved project. The application should provide precise and detailed description of the project including descriptions of the project's energy efficiency measures, customer sites, estimated demand and energy savings, and estimated incentive payments based on a detailed engineering study and site audit. This application requires the following information, submitted by the Project Sponsor:

- Identification of the host CenterPoint Energy customer site(s). The 22-digit customer ESI ID should be included to verify service territory. CenterPoint Energy's ESI ID will be 100890xxxxxxxxxxxxxxx. (Must input full 22-digit number). **It is mandatory that project sponsors submit the ESI-ID for all host-customer sites as part of the Project Application phase.**
- Description of the proposed set of energy-efficiency measures and estimated completion date.
- Estimated demand and/or energy savings for each proposed measure and associated incentives requested.
- Brief work plan for project design, M&V approach, implementation, operation, and management, including the anticipated project timeline.
- The existing and proposed equipment inventories, including equipment counts, equipment efficiencies, and equipment nameplate data. A standard equipment survey template is available for download from the website and should be used to complete the Project Application.
- Projects involving lighting measures require submission of product information sheets (cut sheets) for the new lamps, ballasts, and fixtures. The submitted cut sheets must clearly illustrate the lamp type, lamp wattage and the ballast factor for a specific lamp/ballast combination. For cooling and refrigeration measures, documentation of the full load efficiency at standard Air- Conditioning and Refrigeration Institute (ARI) conditions must be submitted.

- New construction project must have a final meter installed.
- Engineering calculations estimating energy and demand savings based on the efficiency of the proposed equipment compared to that of new, minimum-standard efficiency equipment.
- A proposed project-specific M&V plan describing how the Project Sponsor will measure and verify energy and demand savings, the methods for calculating actual savings, and a schedule for conducting and reporting on M&V activities is required, submitted as a separate document. In some cases, pre-installation M&V activities may be required to accurately estimate savings. In general, it is recommended that the Project Sponsor use the M&V guidelines described in the TRM, however the Sponsor may choose to develop an alternative approach.

The alternative approach must be described in detail. In either case, the M&V plan must be approved by CenterPoint Energy before the Project Application can be approved. If a Sponsor chooses the Deemed Savings method, an M&V plan is not required.

- Updated work plan for project design, implementation, operation, and management, including the anticipated project timeline.
- An agreement between the Project Sponsor and Customer, **emailed via Vision DSM**, must be submitted as an acknowledgement by the end user of knowledge of energy efficiency project.

After compiling and uploading all the necessary documentation required completing a Project Application, the Program Sponsor may submit the application.

3.2.4 CenterPoint Energy Project Application Review

Upon receiving a completed Project Application, the Project Application will be reviewed on a first-come, first-served basis until all incentive funding has been committed. CenterPoint Energy will review the eligibility of the proposed measures, the accuracy of the savings estimates, and the comprehensiveness of the M&V plan. CenterPoint Energy may request clarification of, or additional information about any item in the application. Project Sponsors will have ten business days to respond to such requests. If the clarification or additional information is not forthcoming, CenterPoint Energy may choose to discontinue its evaluation of the application and reject the project. As part of the Project Application review process, CenterPoint Energy may, at its discretion, conduct a Pre-Installation Inspection of the project site to verify the accuracy of the baseline conditions documented in the Project Application. Upon Project Application approval (PA), CenterPoint Energy will reserve the appropriate amount of incentive funds for the project and prepare a PA letter outlining the terms of the project. At this same time, the Project Authorization Form (PAF) is generated and emailed via Vision DSM to the end user.

3.2.5 Project Authorization

Once the PA has been approved, the customer (Premise Contact) shall receive a Project Authorization Form (PAF) email. The PAF defines the specifics of the project, including measures to be installed, proposed project installation schedule, and **estimated** incentive amount. The Site representative (end user) will receive an email for acknowledgement.

For new construction projects, PAF will be required from permanent customer, if different from temporary meter customer. ***Failure to return the acknowledgement will result in forfeiture of project incentives.***

3.2.6 Scheduling and Installation Notice

To ensure that projects are completed in a timely manner, CenterPoint enforces timelines to complete the installation of a project post Project Application approval. Unless an alternative construction schedule has been submitted by the Project Sponsor and approved by CenterPoint Energy, project installation and the generation of the Installation Report (IR) must be completed within:

- Three (3) months for lighting-only projects for Large/Multifamily/Strip Center customers.
- Six (6) months for all other projects in Large/Multifamily and Strip Center.
- Forty-Five (45) days for Small Commercial customers.

Project Sponsors should plan to reach **100% completion** on all projects no later than December 1, 2026. For more information on the IR, see section 3.2.9.

Project Sponsors **must** use the **Vision DSM work schedule** to notify CenterPoint a minimum of 48 hours prior to the date the installation will commence. This allows CenterPoint time to schedule resources for the installation inspection. CenterPoint will use the **required** Vision DSM work schedule to contact the Project Sponsor and complete the inspection.

Failure to notify using Vision DSM's work schedule submittal process will result in the cancellation of the project and could lower sponsor rating on future projects. Notes added to Vision DSM will not be acceptable.

At its discretion, CenterPoint may conduct an onsite inspection during the 48-hours post notification. CenterPoint will inform the Project Sponsor if such an inspection will take place. Access to current equipment, new materials, installation crew and installation equipment should be onsite and ready for CenterPoint Energy inspection. (If the schedule should change, Project Sponsor is required to notify Program Manager no later than 7am on scheduled date) **Projects may start at scheduled time in Vision DSM, no need to wait on CNP Representative.**

3.2.7 Installation Inspection

A CenterPoint Energy Inspector may be present at the commencement of project installation to conduct the Installation Inspection. CenterPoint Energy Inspectors are present to observe and record only. The inspection team makes no judgement on installation practices or guidelines.

If the proposed equipment is installed before the pre or installation inspection is scheduled, the Project will be cancelled and will not qualify for the incentive. The installation inspection also requires the presence of at least one representative of the Project Sponsor who is familiar with the project and the facility so that all parties can identify any discrepancies.

For lighting only projects, CenterPoint requires that new materials necessary to complete the job be onsite. The inspection will verify the following information:

- Equipment survey accuracy.
- For most measures, the inspector verifies the accuracy of the baseline equipment quantity and nameplate information.
- For lighting measures, a statistically significant sample size will be selected for the inspection. Variables used in determining the sample include a Sponsor confidence factor, number of sites in the project, and line-item values submitted on the survey.

The requirement for acceptance is that the total error of the installed demand of the sample must be within 10 % of the total demand submitted on the survey form. M&V plan appropriateness for the measure, and performance of any necessary M&V activities.

- All existing equipment listed in the Project Application is still in place ***and*** operational.
- New equipment installation, or preparation for installation, has not begun.

If electrical measurements are necessary, the Project Sponsor is required to perform any disruptions in equipment operation, the opening of any electrical connection boxes, or the connection of current and power transducers. If the inspection cannot be completed in a timely manner because the representative(s) is unfamiliar with the facility or project, the project site will, at CenterPoint's discretion, fail the inspection. If a project site fails the initial inspection, and the Project Sponsor would like to continue participation in the program, and eligibility for incentive, the Project Sponsor must schedule any subsequent inspections for the project.

Measures must be installed according to the manufacturer's specifications. CenterPoint Energy will cancel any project whose installation fails to meet this requirement.

Upon 100% completion of the project installation, Project Sponsors must update the project status in Vision DSM to "Installation Complete".

3.2.8 Post-Installation Inspection

CenterPoint Energy will conduct a post-installation inspection of the project site within 30 days of the "Complete" status update in Vision DSM, where applicable. The post-installation inspection **should not** be scheduled via Vision DSM, but by the CNP inspection team, and recommends the presence of at least one representative of the Project Sponsor who is familiar with the project and the facility. The Post-Installation Inspection shall verify that:

- The equipment specified in the project application has been installed and is operating as described.
- For most measures, the inspector verifies the accuracy of the equipment quantity and nameplate information.
- For lighting measures, the inspection sample is determined using the same concept as the pre- inspection methodology.
    - Requirement for acceptance is that the total error of the installed demand of the sample must be within +/-10 % of the total demand submitted on the survey form.
- The Project Sponsor is conducting the M&V activities in accordance with the approved M&V Plan.

If electrical measurements are necessary, the Project Sponsor is required to perform any disruptions in equipment operation, the opening of any electrical connection boxes, or the connection of current and power transducers. If the inspection cannot be completed in a timely manner because the representative(s) is unfamiliar with the facility or project, the project site will, at CenterPoint's discretion, fail inspection.

3.2.9 Installation Report

The generated IR updates any information proposed in the Project Application that has now been finalized after completion and inspection of the project. Upon IR approval, the Project Sponsor will receive notice from CenterPoint Energy that the Installation Payment will be processed. If the project requires M&V, this payment is 40% of the incentive approved in the IR. For deemed savings projects, 100% of the incentive is paid for verified savings, up to the PA Approved amount. At CNP's discretion, incentive estimates in the Installation Report may exceed the amount reserved during the Project Application phase only when there is remaining program budget and no projects have been placed on a waitlist for program participation. The IR typically includes the following information:

- A customer certification form indicating that the project was installed. This form is part of the inspection package and should be signed on site at final inspection.
- Updated equipment survey forms must be submitted to reflect the removed and/or actual installed equipment inventories, including equipment counts, equipment efficiencies, and equipment nameplate data if it differs from the information submitted with the Project Application. If there were no changes, the Project Sponsor may refer section 3.2.3 for forms submitted with the Project Application.

- Updates to building occupancy and equipment operating schedules to reflect changes if they differ from the information provided with the Project Application. Please note that at least 75% occupancy ratio of the building is required.
- Updated engineering calculations estimating energy and demand savings based on the efficiency of the actual installed equipment compared to that of new, minimum-standard efficiency equipment if it differs from the information provided with the Project Application.
- A final project-specific M&V plan describing how the Project Sponsor will measure and verify energy and demand savings, the methods for calculating actual savings, and a schedule for conducting and reporting on M&V activities.

3.2.10 Measurement and Verification

M&V procedures will vary in detail and rigor depending on the measures installed. For each installed measure, the chosen procedures will depend upon the predictability of equipment operation, the availability of evaluation data from previous programs, and the benefits of the chosen M&V approach relative to its cost. Demand savings will be calculated as the maximum, one-hour average demand reduction that occurs when the newly installed system is operating at peak conditions during the summer or winter period. The summer period is defined as weekdays, between the hours of 1 P.M. and 7 P.M. from June 1 until September 30, excluding holidays. The winter period is defined as weekdays, between the hours of 6 A.M. to 10 A.M. and 6 P.M. to 10
P.M. from December 1 to February 28, excluding holidays. Please see Appendix C for examples. Energy savings are defined as energy savings over the course of one 12-month period. Energy and demand savings must be either calculated using pre-approved deemed (stipulated) savings, simplified M&V procedures, or a detailed measurement and verification plan.

Project-specific M&V procedures may be classified according to three distinct approaches that represent increasing levels of detail and rigor.

- **Deemed savings:** Savings values are stipulated based on engineering calculations using typical equipment characteristics and operating schedules developed for particular applications, without on-site testing or metering. This approach is designed for use with lighting efficiency and controls projects, window film applications, cool roof installations, and most cooling equipment projects.
- **Simplified M&V:** Savings values are based on engineering calculations using typical equipment characteristics and operating schedules developed for particular applications, with some short-term testing or simple long-term metering. For example, energy and demand savings from high-efficiency constant load motor installations can be determined using the simplified approach by comparing rated efficiencies of high-efficiency equipment to standard equipment and using kW spot-metering and simple long-term kWh metering.

- **Full M&V:** Savings are estimated using a more detailed method than in the deemed savings or simplified M&V approaches through the application of metering, billing analysis, or computer simulation. These methods will need to be developed in accordance with the 2001 International Performance Measurement and Verification Protocol (IPMVP), which represents the starting point for standard industry practice. Project Sponsors will need to adapt the guidelines set forth in the IPMVP to their specific projects when developing the M&V plan required for program participation.

The time required to complete M&V activities will range from less than a month up to 12 months, depending on the approach chosen. M&V plans are not required for projects that use deemed savings for estimating all peak demand and energy savings. By choosing deemed savings, Project Sponsors agree to follow the procedures set-forth in this Program Manual and the TRM to determine project savings. For all other projects, a detailed savings estimates, and a viable M&V plan must be submitted for an incentive to be paid. Project Sponsors are responsible for conducting all M&V activities for the project; however, CenterPoint Energy will work with the Project Sponsor to facilitate M&V planning as necessary.

- Please refer to the latest Texas Technical Reference Manual (TRM) for Measurement and Verification Guidelines. Links to these documents may be found on our program portal https://csop.customerapplication.com.

3.2.11 Savings Report

After all M&V activities are complete, the Project Sponsor will submit a Savings Report (SR) documenting the project's measured demand and energy savings using Vision DSM. For projects using only deemed savings, the Project Sponsor may submit the Savings Report at the same time as the Installation Report. Upon approval of the Savings Report, the Project Sponsor will be notified by CenterPoint Energy that the final payment will be processed.

3.2.12 Foodservice Equipment

Eligible Commercial Electric Foodservice Equipment may receive incentives through the C&I Commercial Standard Offer Program. All equipment must meet the following requirements:

- Electric powered equipment
- ENERGY STAR® certified or equivalent high-efficiency performance
- Application submitted within 30 calendar days of equipment installation

Required Documentation at Application Submittal:

- Itemized invoice
- Manufacturer equipment specifications
- ENERGY STAR® certification or equivalent documentation

Inspection Requirements:

Pre or post-inspections are not required for Commercial Electric Foodservice Equipment unless the incentive amount equals or exceeds $7,500, in which case inspection protocols apply.

3.3 *Other Information*

3.3.1 Confidentiality

CenterPoint Energy's C&I Standard Offer Program is subject to oversight by the Public Utility Commission of Texas (PUCT), which may request a copy of any program materials that CenterPoint Energy receives. Sensitive company and project information submitted by the Project Sponsor to CenterPoint Energy, such as financial statements, will be treated confidentially to the fullest extent possible, and will not be provided directly to outside parties other than the PUCT. CenterPoint Energy will have no liability to any Project Sponsor or other party because of public disclosure of any submittals. CenterPoint Energy plans to list the participating Project Sponsors on its program Web site. The information to be listed on the Web site will include the Project Sponsor's company name, address, and telephone number. If your company participates in the 2026 C&I Standard Offer Program, this information will appear on CenterPoint Energy's energy efficiency Web sites at https://csop.customerapplication.com

SECTION III. APPENDIX

A PROGRAM AND M&V DEFINITIONS

The following are definitions to commonly used terms in the CenterPoint Energy C&I Standard Offer Program:

Affiliate: (A) a person who directly or indirectly owns or holds at least 5.0% of the voting securities of an energy efficiency service provider; (B) a person in a chain of successive ownership of at least 5.0% of the voting securities of an energy efficiency service provider; (C) a corporation that has at least 5.0% of its voting securities owned or controlled, directly or indirectly, by an energy efficiency service provider; (D) a corporation that has at least 5.0% of its voting securities owned or controlled, directly or indirectly, by: (i) a person who directly or indirectly owns or controls at least 5.0% of the voting securities of an energy efficiency service provider; or (ii) a person in a chain of successive ownership of at least 5.0% of the voting securities of an energy efficiency service provider; or (E) a person who is an officer or director of an energy efficiency service provider or of a corporation in a chain of successive ownership of at least 5.0% of the voting securities of an energy efficiency service provider; (F) a person who actually exercises substantial influence or control over the policies and actions of an energy efficiency service provider; (G) a person over which the energy efficiency service provider exercises the control described in subparagraph (F) of this paragraph; (H) a person who exercises common control over an energy efficiency service provider, where "exercising common control over an energy efficiency service provider" means having the power, either directly or indirectly, to direct or cause the direction of the management or policies of an energy efficiency service provider, without regard to whether that power is established through ownership or voting of securities or any other direct or indirect means; or (I) a person who, together with one or more persons with whom the person is related by ownership, marriage or blood relationship, or by action in concert, actually exercises substantial influence over the policies and actions of an energy efficiency service provider even though neither person may qualify as an affiliate individually.

Baseline Energy Use: The calculated or measured energy use by a piece of equipment or a site prior to the implementation of the project measures. Baseline physical conditions, such as equipment counts, nameplate data, and control strategies, will typically be determined through surveys, inspections, and/or metering at the site.

Commission: The Public Utility Commission of Texas (PUCT).

Customer: Any individual CenterPoint Energy distribution customer (connected to the CenterPoint Energy distribution system) distinguished by a unique address or CenterPoint Energy account number (ESI ID). For purposes of the C&I Standard Offer Program, “site” is synonymous with “customer,” and is also distinguished by a unique address or CenterPoint Energy account number (ESI ID).

Deemed Savings Estimates: A pre-determined, validated estimate of energy and peak demand savings attributable to an energy efficiency measure in a particular type of application that a utility may use instead of energy and peak demand savings determined through measurement and verification activities.

Demand Savings: The maximum one-hour average demand reduction (in kW) that occurs when the system undergoing retrofit is operating at peak conditions during the summer or winter period. The summer period is defined as weekdays, between the hours of 1 PM and 7 PM from June 1 until September 30, excluding holidays. The winter peak period is defined as weekdays, from 6 AM to 10 AM and 6 PM to 10PM, from December 1 through February 28, excluding holidays.

Energy Efficiency Measure (EEM): A system, piece of equipment, or materials that result in either reduced electric energy consumption, or reduced peak demand, or both.

Energy Efficiency Project: An energy efficiency measure or combination of measures installed under a Standard Agreement that results in both a reduction in customers’ electric energy consumption and peak demand, as well as a reduction in energy costs.

Energy Savings Estimates: Energy savings (in kWh) over 12 months derived from metering and/or calculations in accordance with the provisions of the approved measurement and verification plans and documented in the Savings Report.

Project Application (PA): Approval by CenterPoint Energy of the PA signifies that funding has been reserved for the project. Project Sponsors must have detailed the expected demand and energy savings and incentive payments for each project, to be included in the Project Authorization, which is attached to the signed Standard Offer Program Purchase Agreement between CenterPoint Energy and the Project Sponsor.

Full Measurement and Verification: A detailed estimate of savings using a higher level of rigor than in the deemed savings or simple M&B approaches through the application of metering, billing analysis, or computer simulation.

Installation Payment: The first of two incentive payments made to a Project Sponsor. The installation payment is 40% of the total estimated incentive amount.

Installation Report (IR): After approval of the PA and issuance of a Project Authorization, a Project Sponsor may proceed to install the energy efficiency measures included in an application. After installation is complete, the Project Sponsor will submit an Installation Report giving details about the equipment installed at each customer site. Once CenterPoint Energy receives the IR, CenterPoint Energy or its M&V designee will inspect the customer sites to ensure installation and operation of the equipment.

Large Commercial: Those commercial sites with peak demand of 100kW or more per site

Measurement & Verification (M&V): A term referring to all necessary equipment surveys, metering and monitoring, statistical estimation and analysis, and reporting used to quantify the Energy and Demand savings resulting from the installation of EEMs. Any M&V approach will need to result in savings estimates that meet certain accuracy requirements.

Multi-Family: Those single site commercial buildings which include multiple meters, i.e., apartments, strip centers **Performance Payment:** The second of two incentive payments that may be up to 60% of the total estimated incentive payment.
Post-Installation (or Post-Retrofit) Energy Use: The calculated energy usage (or demand) by a piece of equipment or a site after implementation of the project. Post-installation energy use is verified by the Sponsor and CenterPoint Energy. They also verify that the reported equipment components or systems were installed, are operating, and have the potential to generate the predicted savings.
Power Adjustment Factor: A stipulated value used to estimate the reduction in operating hours associated with a lighting controls measure.
Pre-Installation (or Pre-Retrofit) Energy Use: The calculated energy usage (or demand) by a piece of equipment or a site before implementation of the project. Pre-installation energy use is verified by the Sponsor and CenterPoint Energy. They also verify that the existing equipment components or systems were properly documented and can be retrofitted to generate savings.
Project: The term "project" refers to a single application's set of proposed energy efficiency measures or other improvements that are necessary to produce energy savings under the program. To be eligible, a project must be expected to save at least 50 kW of peak demand and must be developed at a CenterPoint Energy commercial distribution customer's site.
Project Authorization: A document containing project savings and incentive estimates as stated in the approved PA. The CenterPoint Energy Program Manager and the Project Sponsor will sign the Project Authorization and attach it to the Standard Offer Purchase Agreement. The Project Authorization is a signal to the Project Sponsor to begin the installation of EEMs.
Project-Specific M&V Plan: Plan providing details on how a specific project’s savings will be verified based on the general M&V approaches contained in this document and the Purchase Agreement between CenterPoint Energy and Sponsor.
Project Sponsor: Any organization, group, or individual in agreement with CenterPoint Energy to provide energy savings at customer sites under the program(s).
Sampling Plan: A description of the methods for choosing a representative number of pieces of equipment for monitoring. Often used with lighting retrofits, sample sizes should be generated based on an 80% confidence interval, precision of 20%, and a coefficient of variation (cv) of 0.5 for the population indicated.
Savings Report (SR): Pre-specified documentation provided by the Sponsor to document energy savings achieved for 12 months after project installation. This documentation verifies continued operation of the installed equipment components or systems and the associated energy savings and provides M&V results. The energy savings documented in the SR serves as the basis for the Sponsor’s invoice once the report has been reviewed and approved by CenterPoint Energy.
Simplified M&V: Savings values are based on engineering calculations using typical equipment characteristics and operating schedules developed for particular applications, with some short-term testing of simple, long-term metering.
Small Commercial: Those commercial sites which produce less than 100kW peak demand

Standard Agreement: All Project Sponsors participating in any of the Standard Offer Programs will be required to sign a Standard Agreement with CenterPoint Energy. The terms of the Purchase Agreement are standard for all participants, and will include a maximum payment value, a scope of work, a nondisclosure form, and an installation deadline.

Usage Group: A collection of equipment (e.g., motors or rooms with light fixtures) with similar operating schedules and functional uses.

B PROGRAM DELIVERABLES

The following checklist is a guide created to assist Sponsors in their preparation for CSOP Program Registration & Application, and Project Application. While this list contains most items needed, it is not intended to be 100% comprehensive. CenterPoint, at its discretion, may make changes to this section anytime during the program year or require more information from a Sponsor on a specific project.

Complete	Information, Documentation, Forms, etc.	Location	Mode of Submission
Sponsor Registration			
	Company Name	Sponsor Owned	Vision DSM
	Federal Tax ID number	Sponsor Owned	Vision DSM
	Designated Primary Contact	Sponsor Owned	Vision DSM
	Sponsor Company's Corporate Address	Sponsor Owned	Vision DSM
	W9	Sponsor Owned	Vision DSM
	Vendor Master Form	Program Website	Vision DSM
	Sponsor Company's Parent Company Name (if applicable)	Sponsor Owned	Vision DSM
	Sponsor Company's Parent Company Federal Tax ID (if applicable)	Sponsor Owned	Vision DSM
	Phone Number for Project Sponsor Company (if not Primary Contact)	Sponsor Owned	Vision DSM
	References for at least three comparable projects	Sponsor Owned	Vision DSM
	Description of the Project Sponsor firm	Sponsor Owned	Vision DSM
	Evidence that the Project Sponsor possesses all **applicable** licenses	Sponsor Owned	Vision DSM
	Evidence that the Project Sponsor possesses all **required** insurance	Sponsor Owned	Vision DSM
	Evidence of Project Sponsor's good credit	Sponsor Owned	Vision DSM
	Disclosure of any legal judgments entered against the Project Sponsor in the previous two years, as well as a current list of pending litigation filed by or against the Project Sponsor.	Sponsor Owned	Vision DSM

- *Vision DSM Approval* - *CenterPoint Approve or Deny (CenterPoint will provide the reason if denied)* - *Approved*			
	Standard Participation Purchase Agreement must be signed and returned	Issued by Program Manager	Email
Project Application			
	Identification of the CNP customer site	Sponsor Owned	Vision DSM
	22-digit customer ESI ID from end user retail statement	Sponsor Owned	Vision DSM
	Description of the proposed set of energy-efficiency measures	Sponsor Owned	Vision DSM
	Estimated completion date	Sponsor Owned	Vision DSM
	Brief work plan for project design, M&V approach, implementation, operation, and management, including the anticipated project timeline	Sponsor Owned	Vision DSM
	Standard equipment survey template (may be downloaded under 'Additional Program Information' on the web portal)	Web Portal	Vision DSM
	Lighting measures require submission of product information sheets (cut sheets) for the new lamps, ballasts, and fixtures. DLC or Lighting Facts certification	Sponsor Owned	Vision DSM
	Cooling and refrigeration measures, documentation of the full load efficiency at standard Air-Conditioning and Refrigeration Institute (ARI) conditions	Sponsor Owned	Vision DSM
	Building occupancy and equipment operating schedules.	Sponsor Owned	Vision DSM
	Proposed project-specific M&V plan describing how the Project Sponsor will measure and verify energy and demand savings, the methods for calculating actual savings, and a schedule for conducting and reporting on M&V activities is required, submitted as a separate document	M&V guidelines	Vision DSM

Project Approval Process			
	Project Application approval (PA)	Issued by Program Admin/ Manager	Email/Vision DSM

C M&V EXAMPLE

1 Project Summary

An owner of a 250,000 square foot office complex is participating in CenterPoint Energy's C&I Standard Offer Program. A central chilled water plant cools the facility with a 15-year-old 700-ton centrifugal chiller. The owner of the building is planning to replace the older chiller with a new, high efficiency unit. The new unit under consideration is rated with an ARI nominal COP of 6.4 (0.55 kW/Ton). For a 700-ton water-cooled chiller, the baseline efficiency is 4.7 COP, which is equivalent to 0.748 kW/ton. Likewise, for a 700-ton water-cooled chiller, the minimum efficiency is 6.1 COP, which is equivalent to 0.577 kW/ton (and the unit qualifies for the program by having a higher efficiency than the required minimum).

2 Assumptions

This M&V plan is written with the following assumptions:

1. The office building is not planning any major projects that would significantly alter the chiller load or schedule, such as building additions, significant changes in building occupancy, or significant changes in building schedule.
2. The chiller operating schedule will not change because of this project.

Based on the assumptions and the fact that the new chiller is similar to the existing one (similar size, water-cooled, no VFD, etc.), the only characteristic needed to estimate the demand and energy savings is the full load efficiency of each chiller.

3 Project Activities

Since the simplified guidelines are being used, pre-installation monitoring is not required. The project does require pre-installation and post-installation inspections, post-installation monitoring of chiller demand (kW for at least one hour at peak operating conditions), post-installation monitoring of chiller consumption (kWh for the entire year), an Installation Report, and a Savings Report. The Project Sponsor shall be responsible for all M&V activities and production of reports.

3.1 Inspections

CenterPoint Energy shall perform a pre-installation inspection to validate assumptions used in the savings calculations and verify the existing chiller efficiency. The best source of information for the existing efficiency is the ARI certification, which accompanies the existing chiller. A post-installation inspection will be performed to verify that the chiller was installed and is operating as proposed in the approved Project Application.

3.2 Post-Installation Monitoring

Post-installation monitoring of chiller electrical consumption shall be conducted for the entire M&V period. This monitoring will be accomplished using an ACME Inc., self-contained, three-phase, true RMS kW logger. The logger collects time stamped data at 15-minute intervals. The logger will be downloaded monthly, and the data validated and stored. If there is a significant gap in the data due to a logger failure, the process to replace the missing data with interpolated or averaged data will be clearly documented. The 15-minute time stamped data will be used to satisfy all post-installation monitoring requirements.

3.3 Reports

After the chiller is installed and commissioned, an Installation Report will be produced documenting that the equipment specified in the PA was installed and is functioning as expected. A Savings Report, following the guidelines and forms provided in the procedure's manual, will be generated and submitted upon completion of the data collection activities. Savings estimates will be provided in spreadsheet form, following the template provided in on page 39. In addition to the reports, all monitoring data will be submitted in electronic format for review by CenterPoint Energy.

4 Metering Plan

The electrical demand of the proposed (new) chiller will be monitored to support the required M&V activities. This three-phase load will be monitored using an ACME true RMS kW meter. Current Transducers will be placed on Breakers 1, 3 and 5 of switch-gear SG-1. These breakers are the A, B, and C phases of the 460-volt service that supplies the chiller. No other devices draw power from these breakers.

The ACME meter will record electrical consumption at 15 Minute intervals for the duration of the monitoring period. This logger is capable of storing 41 days of 15-minute data using a fifteen-minute interval. Data will be downloaded and stored on the first working day of each month to ensure that the logger does not run out of memory.

5 Accuracy Requirements

The ACME logger will be calibrated at the time of installation and then checked for calibration every 6 months. This will be accomplished using a Powersite true RMS meter calibrated at the factory to ±2 percent of reading.

6 Data Gathering and Quality Control

The data will be collected using quality control procedures for checking reasonableness. Any and all missing intervals will be replaced either by interpolation or use of average values. CenterPoint Energy will be notified of any data substitution because of missing data, and the method employed to substitute the data.

7 Calculations and Adjustments

The calculations described below will be performed for the Savings Report. The nominal efficiencies of the chillers are provided again in Table 1 below.

Table 1: Proposed and Baseline Chiller Statistics

Chiller	Efficiency (COP)	Full-Load kW
Baseline	4.7	524
Proposed	6.4	385

Using the post-installation data described above and the information in **Table 1**, the savings will be calculated using Equations below.

$$\text{Energy Savings[kWh]} = \text{Post Installation Metering[kWh]} \bullet \left\{\left[\frac{\text{COP of new chiller}}{\text{Baseline COP}}\right] - 1\right\}$$

$$\text{Demand Savings[kW]} = \text{Max Demand Measured[kW]} \bullet \left\{\left[\frac{\text{COP of new chiller}}{\text{Baseline COP}}\right] - 1\right\}$$

The ratio of new to existing chiller is computed as 6.4 divided by 4.7 to yield 1.36. below provides a template to illustrate how monthly savings calculations will be estimated when actual M&V data are available.

Table 2: Template for Computing Savings

Time of Day	Measured kW for peak day in June (hourly average)	Peak savings (kW)	Average demand profile in June (kW)	Days of Operation for June	Energy Consumption (kWh)	Energy Savings for June (kWh)
0:00	127.0	45.7	82.6	23	1899	684
1:00	142.4	51.3	92.6	23	2129	767
2:00	134.8	48.5	87.6	23	2016	725
3:00	127.0	45.7	82.6	23	1899	684
4:00	134.8	48.5	87.6	23	2016	725
5:00	127.0	45.7	95.3	23	2191	789
6:00	142.4	51.3	106.8	23	2456	884
7:00	173.2	62.4	129.9	23	2988	1076
8:00	269.6	97.1	202.2	23	4651	1674
9:00	288.8	104	216.6	23	4982	1793
10:00	319.6	115.1	271.7	23	6248	2250
11:00	346.6	124.8	294.6	23	6776	2439
12:00	354.2	127.5	301.1	23	6925	2493
13:00	358.0	128.9	304.3	23	6999	2520
14:00	362.0	130.3	271.5	23	6245	2248
15:00	365.8	131.7	274.4	23	6310	2272
16:00	365.8	131.7	274.4	23	6310	2272
17:00	346.6	124.8	260.0	23	5979	2153
18:00	327.2	117.8	245.4	23	5644	2032
19:00	308.0	110.9	200.2	23	4605	1658
20:00	192.6	69.3	125.2	23	2879	1037
21:00	127.0	45.7	82.6	23	1899	684
22:00	142.4	51.3	92.6	23	2129	767
23:00	115.6	41.6	75.1	23	1728	622
Total Savings:		**131.7**				**35,248**

The illustrative load data represents chiller consumption in the month of June. Energy savings (kWh) will be estimated in each month by multiplying the average hourly kWh with the number of days in the month. The energy savings for each month will then be aggregated into an annual savings estimate. The peak data shall be used to estimate the peak demand savings (kW).