



SWEPSCO Texas CSOP Small Commercial HVAC Program Manual 2023

HVAC Program Overview

Commercial Standard Offer Program: Offers incentives to participating Project Sponsors, such as contractors, national or local companies that provide energy-related products (e.g., HVAC), for the installation of high energy efficiency HVAC Measures served by SWEPCO Texas.

SWEPCO enters into agreements with Project Sponsors for the installation of qualifying energy efficiency measures that result in a reduction of peak demand (kW) and energy savings (kWh).

Incentive payments to Project Sponsors are based solely on the savings yielded through the installation of qualifying energy efficiency measures. Project Sponsors use the incentive payment to offset the cost of a measure to end-use customer. Incentives are paid directly to the Project Sponsor.

How to Participate:

Enrollment for contractors is simple via the following steps:

1. Review applicable Program Manuals and Program Agreements on the [program website](#).
2. Register and enroll to participate in our program tracking database, [P3](#).
3. Provide a brief statement of capabilities and experience, a list of references, marketing materials*, copies of up-to-date training certificates or licenses**, and a certificate of insurance provided by your insurance agent. Please review Program Manual for insurance guidelines.
4. List the name of a subcontractor, if applicable.
5. Submit application.
6. SWEPCO will fully review each enrollment application and notify contractor on the status of their application. **Note: If you are already enrolled into the Commercial Standard Offer Program, there is no need to re-enroll for this program.**

*Marketing materials must be approved by SWEPCO prior to use.

**Current TDLR license required for all HVAC installers.

Customer Eligibility Information:

Commercial customers of SWEPCO are eligible to have qualifying equipment installed in their facilities as part of the Program. Eligible customers shall be identified by the Electric Service Identifier (ESI ID) numbers on their SWEPCO bill or by the meter number located on the premise. Customer ESI ID's begin with 101769896.

Eligible Commercial Facilities:

Any entity that plans to install eligible HVAC measures at a facility with non-residential electricity distribution service provided by SWEPCO, are paying into the EECRF fund and Billed Demand for the preceding 12 months is below 100 kW are eligible to participate in the CSOP Small Commercial HVAC Program.

2023 Key Dates

January 16, 2023	Database opens for Heat Pump projects
January 16, 2023	Database opens for A/C projects
December 1, 2023 or funds depleted	Program year ends

Equipment Eligibility and Reporting Requirements

The following types of Commercial equipment qualify for incentives when installed in existing facilities served by SWEPCO.

1. **AC systems***: Minimum 15 SEER/12 EER, up to 7.5 tons
2. **Heat Pump systems***: Minimum 15 SEER/12 EER/8.5 HSPF, up to 7.5 tons

All systems must be AHRI-matched, as evidenced by the appropriate AHRI rating sheet, to be submitted by the contractor. All installations and supporting documentation must be submitted by participating contractor within 45 days of installation.

***A new AC or Heat Pump system includes an entire packaged unit, or a split system consisting of an indoor unit with a matching remote condensing unit. Mini-Split air conditioners, heat pumps and VRF systems are now stand alone measures and should be reported as such in P3. Incentives will match those of central air conditioner, heat pump and VRF measures.**

Required Forms (found in the [P3](#) database):

1. **MA/PS and Customer Agreement Form**; *this SWEPCO Texas provided form is the primary agreement executed between the Customer and the Project Sponsor. It includes all the customer protection provisions and disclosures required by the Public Utility Commission of Texas (PUCT). This form can be found within P3.*
2. **Field Data Collection Sheet**; *this SWEPCO Texas provided form is to be used by crews/installers in the field to capture all relevant measure data that is entered into tracking databases and used to calculate savings. This form can be found within P3.*
3. **Customer Acknowledgement Form**; *this form is provided to Customers by Project Sponsor after the completion of measure installations. It provides Customers protection against claims of subcontractors. This form can be found within P3.*

Decision/Action Types for HVAC Installations

Replace-on-Burnout (ROB):

ROB defines a situation where an older, inoperable unit was replaced after failure or the equipment is older than the estimated useful life (EUL). For this scenario, the measure baseline condition would be based on a codes/standards or “standard practice”, rather than the efficiency of the equipment that was previously installed.

Additional reporting requirements for an ROB scenario include:

- Photograph of new inside and outside nameplate

Early Retirement (ER):

An early retirement scenario occurs when existing, functional or actively used equipment is replaced with similar, higher efficiency equipment. Sizing of new unit must be less than or equal to that of the existing unit.

Additional reporting requirements for an ER scenario include:

- Age of replaced unit
- Retired unit model number, serial number and manufacturer
- Photograph of retired unit nameplate
- Photograph of new inside and outside nameplate
- Photo of gauges showing that the system is currently working and/or customer responses documenting the condition of the replaced unit(s) and their motivation for unit replacement
(Customer response for an ER decision is located on the HVAC Field Note Form)

New Construction:

Equipment sizing must adhere to code requirements in your area.

Additional reporting requirements for New Construction scenario include:

- Photograph of new inside and outside nameplate

Rightsizing:

Systems that are right sized per a heat load calculation are eligible.

Additional reporting requirements for rightsizing include:

- Retired unit model number, serial number and manufacturer
- Photograph of retired unit nameplate
- Photograph of new inside nameplate
- If photograph of retired unit nameplate is unavailable or not legible, provide estimated square footage of conditioned area served by the retired unit

Incentives

Heat Pump	\$/ton	Air Conditioner	\$/ton
15.00-15.99	\$ 250/ton	15.00-15.99	\$100/ton
16.00-17.99	\$ 400/ton	16.00-17.99	\$150/ton
18.00 and above	\$500/ton	18.00 and above	\$200/ton

- Calculation example:**

All reporting will be based on rated cooling capacity instead of nominal tonnage. Capacity ranges will use normal rounding convention (midpoint rounds up, anything below rounds down) and round to the nearest half-ton according as seen in the table below. Example: An installed 16 SEER heat pump with a rated cooling capacity of 25,000 Btuh would fall under the “2-ton” range and qualify for an \$800 (\$400 x 2-ton) incentive.

Cooling Capacity Btu/hour (Btuh)		Tonnage
0	14,999	1
15,000	20,999	1.5
21,000	26,999	2
27,000	32,999	2.5
33,000	38,999	3
39,000	44,999	3.5
45,000	53,999	4
54,000	65,000	5
65,001	72,000	6
72,001	84,000	7
84,001	90,000	7.5

Maximum incentive per unit is \$2,000; Maximum incentive per facility (multiple units) is \$2,500

Project Sponsor Limits and Funding

2023 Program Funding	\$50,000
2023 Sponsor Limit	\$20,000

The annual limit is not a guaranteed amount reserved for or paid to each Project Sponsor. It is the responsibility of the Project Sponsor to monitor the overall program budget and their company limit to determine if there are ample funds before implementing installations.

Limits may be waived or adjusted if SWEPCO determines that such limits would prevent it from achieving its energy efficiency goal.

No approved contractor has unconditional entitlement or preferential rights to any incentive funds. Funds will be taken out of the program budget upon the submission of a project. Please note that when funds reach zero in the program, there is no guarantee that SWEPCO will be able to pay the incentives on non-submitted projects.

Required Documentation

The required documentation will be uploaded into P3. Missing or partial documentation may subject the project to be delayed for payment or total non-payment. It is up to the Contractor or Project Sponsor to provide all documentation requirements.

- MA/PS and Customer Agreement Form
- Field Data Collection Sheet
- Customer Acknowledgement Form
- Photos of both inside and outside units—both existing and new equipment
- Photos of old and new nameplates of both inside and outside units
- AHRI Certificates of new equipment
- Copies of invoices for new equipment that show model numbers of the equipment bought for the project and how many units that were procured for the project