



DUKE ENERGY CORPORATION

139 East Fourth Street
1202 Main
Cincinnati, OH 45201-0960
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Facsimile: (513)287-4385

Kristen Cocanougher
Sr. Paralegal
E-mail: Kristen.cocanougher@duke-energy.com

VIA OVERNIGHT DELIVERY

November 30, 2011

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

DEC 01 2011

PUBLIC SERVICE
COMMISSION

Re: *Case No. 2011-_____*
The Application of Duke Energy Kentucky, Inc. to Implement a Pilot of
Nonresidential Smart Saver Custom Energy Efficiency Program

Dear Mr. Derouen:

Enclosed please find an original and twelve copies of *The Application of Duke Energy Kentucky, Inc. to Implement a Pilot of Nonresidential Smart Saver Custom Energy Efficiency Program* for filing in the above referenced matter.

Please date-stamp the two copies of the letter and the filing and return to me in the enclosed envelope.

Sincerely,

Kristen Cocanougher

cc: Larry Cook
Richard Raff
Florence W. Tandy
Carl Melcher

**BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION**

In The Matter Of:

THE APPLICATION OF DUKE)
ENERGY KENTUCKY, INC.)
TO IMPLEMENT A PILOT)
NONRESIDENTIAL SMART \$AVER®)
CUSTOM ENERGY)
EFFICIENCY PROGRAM)

CASE NO. 2011-_____

RECEIVED

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PUBLIC SERVICE
COMMISSION

**APPLICATION OF DUKE ENERGY KENTUCKY, INC. TO IMPLEMENT A
PILOT NONRESIDENTIAL SMART \$AVER® CUSTOM ENERGY EFFICIENCY
PROGRAM**

Pursuant to KRS 278.285, Duke Energy Kentucky, Inc., (Duke Energy Kentucky or Company) moves the Commission for an Order to implement a pilot Smart \$aver® Custom Energy Efficiency Incentive program for non-residential customers in the Company's service territory. The new program is an expansion of the Company's existing Smart \$aver® Custom Incentive program (Smart \$aver® Custom Incentive Program) that currently is only available for schools (grades K-12). In support of this Application, Duke Energy Kentucky states as follows:

1. Duke Energy Kentucky is a Kentucky corporation and a public utility as defined in Section 278.010 of the Kentucky Revised Statutes (KRS) and is subject to the Commission's jurisdiction. Duke Energy Kentucky is engaged in the business of furnishing gas and electric services to various municipalities and unincorporated areas in Boone, Campbell, Gallatin, Grant, Kenton and Pendleton Counties in the

Commonwealth of Kentucky.

2. Duke Energy Kentucky's business address is 139 East Fourth Street, Cincinnati, Ohio 45202. The Company's local office in Kentucky is Duke Energy Envision Center, 4580 Olympic Boulevard, Erlanger, Kentucky 41018.
3. Duke Energy Kentucky's articles of incorporation are on file with the Commission in Case No. 2009-00202 and are incorporated by reference herein pursuant to 807 KAR 5:001, Section 8(3).
4. Duke Energy Kentucky currently offers a portfolio of energy efficiency programs with costs recovered under its Demand Side Management Rider (Rider DSMR). Duke Energy Kentucky's current portfolio of programs includes a Smart Saver® Custom Incentive Program for schools (grades K-12) to encourage energy efficiency. The Smart Saver® Custom Incentive Program encourages customer efficiency improvement through the installation of high efficiency equipment and systems that currently fall outside of the Company's standard prescriptive incentive program. The program provides customer incentives for qualifying energy efficiency equipment to help offset the cost of investment for customers and make the payback period for customer investment more attractive. Smart Saver® Custom Incentive Program funds are available on a first-come, first-served basis, with participation and funding capped on a fiscal year basis. The proposed pilot program will operated in the same manner as the existing program with two notable exceptions. First, in the pilot eligibility will be expanded to include non-residential customers. Second the pilot will not include energy assessment opportunities as are offered in the program to K-12 customers.

5. The Company's proposed pilot would expand the existing Smart Saver® Custom Incentive Program to include commercial and industrial customers served under the Company's non-residential rates, specifically Rates DS, DP, DT, EH, SP or GS-FL. The pilot will be limited to a maximum of \$500,000 in incentives offered for the fiscal year. Customers served under Rate TT will be excluded from the pilot because these customers do not currently participate in Rider DSMR. Although the expanded pilot will make the Smart Saver® Custom Incentive Program available to a broader cross-section of customers, the Company does not foresee this as causing a limitation to the availability of the funding. Indeed, the participation of schools under the program has declined in recent years, with no participation by schools in the custom incentive program during the 2011 fiscal year.¹ Expanding the program will facilitate the implementation of dollars dedicated toward opportunities for energy efficiency innovation among non-residential customers. Duke Energy Kentucky's parent, Duke Energy Ohio, Inc (Duke Energy Ohio) currently offers a successful custom incentive program as part of its non-residential Smart Saver® program that is available to all non-residential customers. Duke Energy Kentucky has received requests for a similar program offering from its non-residential customers with multi-state operations and who are already taking advantage of the program offered by Duke Energy Ohio. As a result, Duke Energy Kentucky's proposed Smart Saver® Custom Incentive Program pilot is modeled after Duke Energy Ohio's program.
6. Duke Energy Kentucky's pilot Smart Saver® Custom Incentive Program will begin

¹ Although there was no participation in the custom incentive opportunity under the program, four schools did take advantage of the energy assessment opportunity under the program.

upon Commission approval and will end on or about June 30, 2013, or until such time as a broader suite of energy efficiency programs are approved by the Commission (with such broader suite of programs anticipated to include the same or similar custom program that will be broadly available and on a permanent basis).

7. The customer must apply to Duke Energy Kentucky and provide sufficient documentation to support the energy efficient installation for the Company's review before the customer initiates their project. Each incentive will be calculated on an individual basis. Attachment A is a copy of the current custom incentive application. Attachment B is a copy of the general worksheet which is part 2 of the custom incentive application.
8. Upon receiving a custom incentive application, Duke Energy Kentucky will review the application and perform a technical evaluation as necessary to validate projected energy efficiency savings. A program vendor will perform an administrative review to ensure customer eligibility and that all information required to complete a project (including payment of incentive) is included in the application. The program vendor will perform a technical review for the following purposes:
 - Determine appropriate energy baseline;
 - Verify savings (kW, kWh);
 - Establish measure life;
 - Verify incremental cost to customer;
 - Requests additional technical information as needed to complete draft input data sheet for energy-economics modeling.
9. Measures submitted by the customer are then modeled in the Company's DSM

modeling program to determine the overall cost effectiveness of the measure. The incentive offered to the customer is intended to improve a customer's payback to move them to invest in energy efficiency. Evaluation follow-up and review includes application review, site visits and/or onsite metering and verification of baseline energy consumption, customer interviews, and/ or use of loggers/ submeters.

10. Upon incentive approval, the applicant will receive a letter indicating the acceptance or denial of the proposal and a confirmation of the incentive payment that is eligible. The customer will receive payment upon completion of the project, and after submission of all invoices and documentation.

11. A benefit of the Smart Saver® Custom Incentive Program is that it provides the Company with an opportunity to conduct research and development for future prescriptive energy efficiency programs that can be offered to customers on a broader basis. Assuming a successful pilot and the eventual implementation of a permanent custom incentive program, going forward, as use of a custom incentive increases Duke Energy Kentucky will be able to evaluate the custom applications and will determine if additional measures can be included in a prescriptive incentive program. Adding measures that repeatedly arise in the custom incentive applications to the prescriptive program makes planning and applying for measures easier for customers.

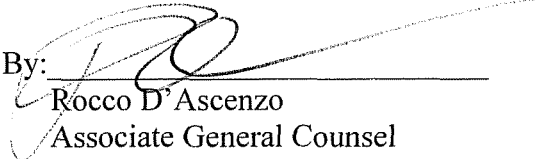
12. Duke Energy Kentucky proposes to recover the costs of this pilot program through the existing Rider DSMR and will include an update and evaluation of the program participation as part of the Company's annual DSM filing to be made in November 2012.

13. Duke Energy Kentucky submits that the above circumstances constitute good cause and therefore requests the Commission to approve this application after 30 days notice, as provided in KRS 278.180(1).

WHEREFORE, Duke Energy Kentucky respectfully requests that the Commission grant the relief requested in this Motion.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.

By: 
Rocco D'Ascenzo
Associate General Counsel
Amy B. Spiller
Deputy General Counsel
Duke Energy Kentucky, Inc.
139 East Fourth Street, 1313 Main
Cincinnati, Ohio 45201-0960
Phone: (513) 287-4320
Fax: (513) 287-4385
Email: rocco.d'ascenzo@duke-energy.com

CERTIFICATE OF SERVICE

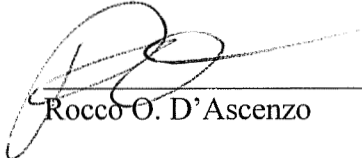
I hereby certify that a copy of the foregoing filing was served on the following via ordinary mail, postage prepaid, this 30th day of November, 2011:

Larry Cook, Assistant Attorney General
The Kentucky Office of the Attorney General
1024 Capital Center Drive
Frankfort, Kentucky 40602-2000

Richard Raff
Public Service Commission
730 Schenkel Lane
Frankfort, Kentucky 40602

Florence W. Tandy
Northern Kentucky Community Action Commission
P.O. Box 193
Covington, Kentucky 41012

Carl Melcher
Northern Kentucky Legal Aid, Inc.
302 Greenup
Covington, Kentucky 41011



Rocco O. D'Ascenzo

Smart Saver® Nonresidential Custom Incentive Application PART 1



Proposed energy efficiency measures may be eligible for Custom Incentives if they clearly reduce electrical consumption and/or demand as compared to the appropriate baseline.

Before you complete this application, please note the following important criteria:

- Incentive approval is required PRIOR to equipment purchase, or any other activity which would indicate that the Duke Energy account holder has already decided to proceed with the proposed project.
- Submitting this application does not guarantee an incentive will be approved.
- Incentives are based on electricity conservation only.
- Electric demand and/or energy reductions must be well documented with auditable calculations.
- Simple payback without incentive must be greater than 1 year.
- Incomplete applications cannot be reviewed; all fields are required.

Refer to the complete list of Instructions and Disclaimers, beginning on page 7.

Notes on the Application Process

If you have any questions concerning how to complete any portion of the application or what supplementary information is required, please contact your Duke Energy account manager or the Duke Energy Smart Saver® team at 1-866-908-4921.

Every application must include calculations of the baseline electrical usage and the electrical usage of the proposed high-efficiency equipment/system. Monthly calculations are best. You, the Duke Energy customer, or your equipment vendor / engineer should perform these calculations and submit them to Duke Energy for review. *We strongly encourage the use of modeling software (such as eQuest or comparable) for complex projects.*

Upon receipt of your application, an acknowledge email will be sent to you with an estimated response time based on an initial assessment of your application. The application review may include some communication to resolve any questions about the project or to request additional information. Applications that are received complete without missing information have a faster review time. If you choose to proceed with your project before the review process is complete, you will forfeit eligibility.

There are three ways to submit your completed custom incentive application.

Email your scanned form to: CustomIncentives@duke-energy.com

Or, fax your form to 980-373-9755

Or, mail to: Custom Incentives
Duke Energy
P.O. Box 1006 / EC2ZA
Charlotte, NC 28201

Smart Saver[®]
Nonresidential Custom Incentive Application
PART 1



1. Contact Information (Required)

Duke Energy Customer Contact Information					
Company Name					
Address					
Project Contact					
City		State		Zip Code	
Title					
Office Phone		Mobile Phone		Fax	
E-mail Address					

Equipment Vendor / Contractor / Architect / Engineer Contact Information					
Company Name					
Address					
City		State		Zip Code	
Project Contact					
Title					
Office Phone		Mobile Phone		Fax	
E-mail Address					
Describe Role					

Payment Information					
Payee Legal Company Name (as shown on Federal income tax return):					
Mailing Address					
City		State		Zip Code	
Type of organization (check one) <input type="checkbox"/> Individual/Sole Proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Unit of Government <input type="checkbox"/> Non-Profit (non-corporation)					
Payee Federal Tax ID # of Legal Company Name Above:					
Who should receive incentive payment? (select one) <input type="checkbox"/> Customer <input type="checkbox"/> Vendor (Customer must sign below)					
If the vendor is to receive payment, please sign below: I hereby authorize payment of incentive directly to vendor:					
Customer Signature _____ Date ____/____/____ (mm/dd/yyyy)					



Smart Saver[®] Nonresidential Custom Incentive Application PART 1

2. Project Information (Required)

- A. Please indicate project type:
- New Construction (Duke Energy account number not yet established)
 - Expansion at an existing facility (existing Duke Energy account number)
 - Replacing equipment that is estimated to have remaining useful life of 2 years or less
 - Replacing equipment that is estimated to have remaining useful life of more than 2 years
- B. Please describe your project, or attach a detailed project proposal that describes the project.
- C. If awarded an incentive, when do you plan to start and complete implementation?
Start date / (mm/yyyy):End date / (mm/yyyy)
- D. Are you also applying for Smart Saver[®] prescriptive incentives and, if so, which one(s)¹?
- E. Please indicate which worksheet(s) you are submitting for this application (check all that apply):
- Lighting
 - Variable Frequency Drive (VFD)
 - Compressed Air
 - Energy Management System (EMS)
 - General (for projects not easily submitted using one of the above worksheets)
- F. Please tell us if there is anything about your electrical energy projections (either for the baseline or the proposed project) that you are either unsure about or for which you have made significant assumptions. Attach additional sheets as needed.

Required: Attach a supplier or contractor estimate, engineer's cost estimate, and/or other equivalent information documenting the Implementation Cost for each project listed in your application. (Note: self-install costs cannot be included in the Implementation Cost)

Optional: please tell us how you heard about Smart Saver[®] Incentives (check all that apply)

- Duke Energy representative
- Web site
- Radio
- Contractor/vendor
- Other

¹ If your project involves some equipment that is eligible for prescriptive incentives and some equipment that is likely eligible for custom incentives, and if it is feasible to separate the equipment for the energy analysis, then the equipment will be evaluated separately. If it is not feasible to separate the equipment for analysis, then the equipment will be evaluated together in the custom application.

Smart Saver®
Nonresidential Custom Incentive Application
PART 1



3. Project Questionnaire (Required – must be completed and signed by Duke Energy customer)

The intent of *Duke Energy's* Smart Saver® Nonresidential Custom Incentive Program is to cause the implementation of high efficiency energy saving project that would otherwise *not* be completed without the program's assistance (whether that be financial, technical, or other). Please take a moment to complete the following statement.

1. Please indicate if the *Duke Energy* incentive is/was a factor in your choice to install the more energy efficient equipment instead of other equipment that may not have saved as much energy.

Select only one:

- A. Program assistance/incentive has an influence on our decision, or
 B. Program assistance/incentive has no influence at all on our decision

2. If the *Duke Energy* incentive was a factor in your decision, please indicate how much of an influence the program incentive/service had on your energy efficient equipment choice. Please check the number that best represents the level of influence the program has on your equipment choice.

Select only one:

The Duke Energy program had no effect on our equipment choice	The Duke Energy program may have had a minor influence on our energy efficient equipment choice.	The Duke Energy program had a positive influence in our selection of the energy efficient equipment	The Duke Energy program was one of the key reasons for the energy efficient equipment choice, but not the most important reason	The Duke Energy program was one of the most important reasons for the energy efficiency equipment choice	The Duke Energy program was the primary reason for the energy efficient equipment choice
0 <input type="checkbox"/>	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/> 4 <input type="checkbox"/>	5 <input type="checkbox"/> 6 <input type="checkbox"/>	7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10 <input type="checkbox"/>

3. Do you think that you would have or will select the same level of energy efficiency if the program information and technical assistance would not have been available to you?

Select only one:

- A. No, we would make a different equipment selection or not do the same project
 B. Not sure what we would do
 C. Yes, we would make exactly the same equipment choice.

4. Do you think that you would have or will select the same level of energy efficiency if the program's financial incentives would not have been available to you?

Select only one:

- A. No, we would make a different equipment selection or not do the same project
 B. Not sure what we would do
 C. Yes, we would make exactly the same equipment choice.

Smart Saver®
Nonresidential Custom Incentive Application
PART 1



5. Signature (Required – must be signed by Duke Energy customer)

Customer Consent to Release of Personal Information

I, (insert name) _____, do hereby consent to Duke Energy disclosing my Duke Energy Account Number and Federal Tax ID Number to its subcontractors solely for the purpose of administering Duke Energy's Smart Saver Program. I understand that such subcontractors are contractually bound to otherwise maintain my Duke Energy Account Number and Federal Tax ID Number in the strictest of confidence.

I realize that under the rules and regulations of the public utilities commission, I may refuse to allow Duke Energy to release the information set forth above. By my signature, I freely give Duke Energy permission to release the information designated above.

Application Signature

I certify that I meet the eligibility requirements of the *Duke Energy Smart Saver®* Custom Incentives Program and that all information provided within this application is correct to the best of my knowledge. I agree to the terms and conditions set forth for this program. I certify that the numbers, energy savings, and responses shown on this form are correct. Further, I certify that the taxpayer identification number is current and correct. I am not subject to backup withholding because: (a) I am exempt from backup withholding; or (b) I have not been notified by the IRS that I am subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the IRS has notified me that I am no longer subject to backup withholding. I am a U.S. citizen (includes a U.S. resident alien).

Duke Energy Customer Signature

Print Name _____

Date _____

Smart Saver®
Nonresidential Custom Incentive Application
PART 1



Checklist for completing the Application

INCOMPLETE APPLICATIONS WILL RESULT IN DELAYS IN DUKE ENERGY PROCESSING YOUR APPLICATION AND NOTIFYING YOU CONCERNING AN INCENTIVE. Before submitting the application and the required supplementary information, use the following checklist to ensure that your application is complete and the information in the application is accurate. (Note: this checklist is for your use only – do not submit this checklist with your application)

Section No. & Title	Have You:
1. Contact Information	<input type="checkbox"/> Completed the contact information for the Duke Energy customer? <input type="checkbox"/> Completed the contact information for the equipment vendor / project engineer that can answer questions about the technical aspects of the project, if that is a different person than above?
2. Project Information	<input type="checkbox"/> Answered the questions A-E, including providing a description of your project. <input type="checkbox"/> Completed and attached the lighting, compressed air, VFD, EMS and/or General worksheet(s)?
3. Project Questionnaire	<input type="checkbox"/> Completed questions 1 – 6? (NOTE: check to ensure that you checked only one box for each) <input type="checkbox"/> Entered a rating number from 1 to 10 for each item for which you checked “Yes” in question 5? <input type="checkbox"/> Completed question 7? <input type="checkbox"/> Checked the box in question 7 and attached a separate sheet (if your answer does not fit within the box for question 7)?
4. Signature	<input type="checkbox"/> Signed your name? <input type="checkbox"/> Printed your name? <input type="checkbox"/> Entered the date?
Supplementary information (Required)	<input type="checkbox"/> Attached a supplier or contractor estimate, engineer’s cost estimate, and/or other equivalent information documenting the Implementation Cost for each project listed in your application? (Note: self-install costs cannot be included in the Implementation Cost) <input type="checkbox"/> (If submitting the General Worksheet) attached calculations documenting the energy usage and energy savings for each project listed in your application?

If you have any questions concerning how to complete any portion of the application or what supplementary information is required, please contact:

- your Duke Energy account manager
- or,
- the Duke Energy Smart Saver® team at 1-866-908-4921.

Smart Saver® Nonresidential Custom Incentive Application PART 1



Instructions/Terms/Conditions

Note: Please keep for your records- do not submit with the application

1. Customers who opt out of the Energy Efficiency Rider are not eligible for Custom Incentives.
2. Before starting a custom energy efficiency project, the *Duke Energy* customer must complete and submit this application to *Duke Energy* for approval. Smart Saver® Custom Incentives cannot be granted without prior completion of this application, and subsequent approval by *Duke Energy*. Energy service companies or contractors may assist in preparing the application, but an authorized representative of the customer must sign this application to be eligible to participate in the Smart Saver® Program. Completion of this application does not guarantee the approval of a Custom Incentive.
3. Do not begin your energy efficiency projects or purchase equipment until you receive written approval in the form of an acceptance letter from *Duke Energy*, or your application will be rejected.
4. Once all documentation requested in this application is received by *Duke Energy*, and any follow-up information requested by *Duke Energy* is received, the Preliminary Incentive Amount for each Energy Conservation Measure (ECM) will be communicated to the customer. The Preliminary Incentive Amount will be based on the projected energy savings and ECM incremental installation cost.
5. With the application, the customer must provide a list of all sites where the ECMs will be installed. *Duke Energy* requests that sites of similar size, hours of operation and energy consuming characteristics be grouped together in one application for the determination of the incentive amount. The application should identify the site where each unique ECM will be initially installed. *Duke Energy* will conduct a pre-site inspection and install any metering and monitoring that may be required to determine the Approved Incentive Amount for each unique ECM. A post-installation site inspection will be conducted after each unique ECM installation.
6. Based on the information submitted with the application and the information gathered both before and after the initial installation of the ECM, *Duke Energy* will calculate the Approved Incentive Amount for each ECM. *Duke Energy* will provide an updated copy of the Smart Saver Preapproved Incentives form with the Approved Incentive Amount within five business days of gathering the information needed from the post-installation site inspection.
7. *Duke Energy* will conduct random site inspections of a sample of the locations where the ECMs are installed both prior to and after installation to verify installation and operability of the ECMs and to obtain information needed to calculate the Approved Incentive Amount.
8. The Payment Request Form must be submitted to *Duke Energy* within 60 days of completion of the projects associated with this application. Copies of equipment invoices must be submitted to *Duke Energy* with the Smart Saver Custom Incentive Payment Request form.
9. *Duke Energy* will issue a Custom Incentive check, based on the Approved Incentive Amount for each ECM, upon receiving the Smart Saver Incentive Payment Request form from the customer. Approved Incentive Amounts may be adjusted if the project varies from the information originally submitted by the customer.
10. Customers are encouraged to retain copies of all forms, invoices and supporting documentation for their records.
11. Approved Incentive Amounts are valid for 6 months from the date communicated to the customer by *Duke Energy*. *Duke Energy* retains the right to adjust the Approved Incentive Amount before the end

Smart Saver[®]
Nonresidential Custom Incentive Application
PART 1



of the six months due to regulatory requirements; measurement, verification and evaluation results; or any valid unforeseen reason.

12. If the Incentive Amount needs to be adjusted for an ECM, *Duke Energy* will notify the customer of the adjustment as soon as possible. The Approved Incentive Amount, prior to the adjustment, will be valid for projects completed within 60 days of the date that *Duke Energy* notifies the customer of the adjusted Approved Incentive Amount.
13. *Duke Energy* reserves the right to recover all unrecoverable costs associated with the project approval if the customer decides not to complete the project, after the project is approved by *Duke Energy*.
14. Projects financially supported by other funding sources will be evaluated on a case-by-case basis for potential partial funding from *Duke Energy*.
15. Participants must be *Duke Energy* nonresidential customers with the project sites in the *Duke Energy* service territory.
16. Customers or trade allies may not use either the *Duke Energy* or the Smart Saver Program name or logo without prior written permission.
17. Only trade allies registered with *Duke Energy* are eligible to participate.
18. All equipment must be new. Used or rebuilt equipment is not eligible for incentives. All old existing equipment must be removed on retrofit projects.
19. Disclaimers: *Duke Energy*
 - a. does not endorse any particular manufacturer, product or system design within the program;
 - b. will not be responsible for any tax liability imposed on the customer as a result of the payment of incentives;
 - c. does not expressly or implicitly warrant the performance of installed equipment. (Contact your contractor for details regarding equipment warranties.);
 - d. is not responsible for the proper disposal/recycling of any waste generated or obsolete or old equipment as a result of this project;
 - e. is not liable for any damage caused by the installation of the equipment nor for any damage caused by the malfunction of the installed equipment; and
 - f. reserves the right to change or discontinue this program at any time. The acceptance of program applications is determined solely by *Duke Energy*

Smart Saver®

Nonresidential Custom Incentive Application

GENERAL CUSTOM APPLICATIONS WORKSHEET - CUSTOM GENERAL APPLICATION PART 2

Page 1 of 3

Rev 5/11



The General Worksheet is part 2 of the application. Do not submit this file without submitting a completed Part1 Custom Application document file, which can be found at www.duke-energy.com. This worksheet is for all projects that are not easily submitted through one of the other worksheets

Before you complete this application, please note the following important criteria:

- Incentive approval is required PRIOR to equipment purchase, or any other activity which would indicate that the Duke Energy customer has already decided to proceed.
- Submitting this application does not guarantee an incentive will be approved.
- Incentives are based on electricity conservation only
- Electric demand and/or energy reductions must be well documented with auditable calculations.
- Simple payback without incentive must be greater than 1 year.
- Incomplete applications will not be reviewed; all fields are required.

Refer to the complete list of Instructions and Disclaimers, found in the Custom Application Part 1 document.

Please enter your information and data into the cells that are shaded.
Cells in white are locked and cannot be written over.

Duke Energy Customer Contact Information (Match the information in Application Part 1):

Name	
Company	

Equipment Vendor / Project Engineer Contact Information

Name	
Company	

Before proceeding with the custom application, please verify that your project is not on the prescriptive incentive application.

The prescriptive incentive applications can be found at:

KY <http://www.duke-energy.com/kentucky-business/energy-management/energy-efficiency-incentives.asp>
Kentucky only: custom incentives only available to K-12 school facilities; prescriptive incentives available for those not on rate TT.

OH <http://www.duke-energy.com/ohio-business/energy-management/energy-efficiency-incentives.asp>

NC <http://www.duke-energy.com/north-carolina-business/energy-management/energy-efficiency-incentives.asp>

SC <http://www.duke-energy.com/south-carolina-business/energy-management/energy-efficiency-incentives.asp>

Prescriptive incentives are already pre-approved and the application is submitted after project implementation.

Take note of the equipment eligibility on the prescriptive application before planning to utilize the prescriptive application.

Smart Saver®

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Nonresidential Custom Incentive Application

GENERAL CUSTOM APPLICATIONS WORKSHEET - CUSTOM GENERAL APPLICATION PART 2

Rev 5/11

For each project, answer the following questions (use one worksheet per project)

Project Name: _____

App No.	0
Rev.	0

How would you classify this project? (Place an x in all boxes that apply.)

Lighting	Heating/Cooling	Air Compressor	Energy Management System
VFD	Motors/Pumps	Process Equipment	Other, describe below:

Brief Project Description

Describe the Baseline (see note 3) Equipment/System	Describe the Proposed High Efficiency Project

If Existing Equipment is the Baseline, how many years of useful life remain or how many years until replacement? _____

Detailed Project Description Attached? Yes (Required)

Operating Hours (see note 4)

24 x 7	Weekday		Saturday		Sunday		Weeks of Use in Year (see note 5)	Total Annual Hours of Use
	Start Hour	End Hour	Start Hour	End Hour	Start Hour	End Hour		

Energy Savings

	Baseline (see Note 3)	Proposed	Savings	Describe how energy numbers were calculated
Annual Electric Energy	0 kWh	0 kWh	0 kWh	
Electric Demand	0 kW	0 kW	0 kW	
Calculations attached	Yes	Yes	(Required)	

Simple Payback

Average electric rate (\$/kWh) on the applicable accounts (see note 6)	\$0.10
Estimated annual electric savings	\$0
Other annual savings in addition to electric savings, such as operations, maintenance, other fuels	
Incremental cost to implement the project (equipment & installation) (see note 7)	
Copy of vendor proposal is attached (see note 8)	Yes
Simple Electric Payback in years (see note 9)	
Total Payback in years	

3 Baseline

Retrofit projects: the existing equipment is the baseline unless that equipment must be replaced for some reason anyway
New construction projects or where the existing equipment must be replaced anyway: the baseline is the standard option in today's market, taking into account any applicable organizational, local, state or federal codes or standards currently in effect.

4 Operating Hours

Describe when the equipment is typically used. If the project is proposed for more than one site, provide any variations in operating hours between the sites on a separate sheet.

5 Weeks of Use in Year

If the equipment is not in use 52 weeks during the year (for example, during holiday or summer break), provide an explanation of when usage is not expected and why: _____

6 Average electric rate (\$/kWh)

If you do not know your average electric rate, use \$0.10/kWh.

7 Incremental cost to implement the project

Costs exclude self installation costs. Retrofit projects, incremental cost is the total cost of the proposed project. New construction or where the existing equipment must be replaced anyway, then incremental cost is the premium of the proposed high efficiency project over baseline.

8 Copy of vendor proposal is attached

Vendor proposal of proposed system is always required.
New construction projects or where the existing equipment must be replaced anyway, vendor proposal of baseline must also be attached.

9 Simple Electric Payback

If the simple electric payback is less than 1 year, then no incentive can be approved. Double check average electric rate for correct payback.