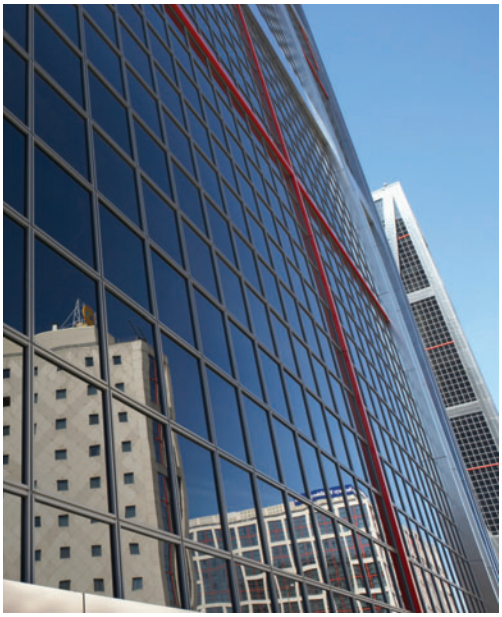
FACT SHEET

Retrofit and New Construction Opportunities for Nonresidential Customers



NONRESIDENTIAL RETROFIT (NRR)

This program offers cash incentives for retrofits that save energy and for new construction that includes new, high-efficiency equipment or systems.

Agricultural, industrial and commercial customers may apply. Almost any custom-designed project that improves energy efficiency can qualify.

Examples of performance-based projects include, but are not limited to:

- Upgrading the refrigeration system in a chain of grocery stores
- Replacing the chiller and HVAC system in a large office building
- Retrofitting the lighting system, boiler, and energy management system in a school district
- Installing Variable Speed Drives (VSD) and efficient motors in a processing plant
- Recovering waste heat for the steam system at a food processing plant
- Implementing an "Early Retirement" plan to help accelerate the replacement of less efficient equipment with new high-efficiency equipment earlier than customary. (Energy savings calculated using equipment efficiency standards at time of installation rather than current minimum standards. Eligible measures; motors, chillers, and packaged air conditioning units)

To Apply

- Submit your own application (self-sponsor) or have a project sponsor (3rd Party) apply on your behalf
- Use our simple application forms and easy-to-use CD-Rom based software to estimate potential energy savings

Type of Retrofit	Incentive Rates*
Lighting	$0.05/kWh
HVAC & Refrigeration	$0.14/kWh
Motors and Other Equipment	$0.08/kWh
Natural Gas	$0.80/therm

** Incentive capped at 50% of project cost.*

NONRESIDENTIAL NEW CONSTRUCTION (NRNC)/SAVINGS BY DESIGN (SBD)

The NRNC/SBD program supports the design and construction of new energy-efficient buildings, process systems, and gut rehabs. The program includes:

- **DESIGN ASSISTANCE** to analyze and design more energy-efficient buildings and process systems
- **OWNER INCENTIVES** to offset energy-efficiency investment costs
- **DESIGN TEAM INCENTIVES** to reward designers who meet ambitious energy-efficiency targets
- **ENERGY DESIGN RESOURCES** offers analysis tools, training and in depth information on efficient technologies and strategies (www.energydesignresources.com)

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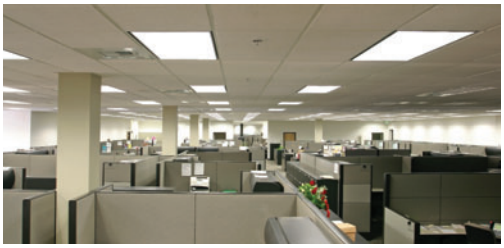

Whole Building Approach

This approach favors integrated, optimized energy solutions. Computer simulation is used for whole building analysis that provides reliable comparisons of various efficiency alternatives and quantifies the effects of improving the building's systems.

Detailed energy use projections and life-cycle costs demonstrate how quickly reduced operating costs compensate for the estimated incremental costs associated with energy-efficiency strategies.

Projects estimated to exceed California's Building Energy-Efficiency Standards (Title 24) in effect or standard practice baseline by at least 10% on a whole building performance basis can earn incentives up to $500,000. Design teams may be eligible for incentives if the project performs at least 15% better than the performance requirements of Title 24.

Systems Approach

This approach encourages designers to look at the systems of a building rather than individual equipment or fixtures. When a building system is evaluated and optimized as a unit rather than as a collection of components, it is possible to achieve greater efficiency.

Your local Representative can help you identify system options and quickly estimate the associated potential savings, and identify which systems qualify for incentives up to $500,000 including:

- Daylighting
- Interior Lighting
- Service Hot Water
- Heating, Ventilation, and Air Conditioning (HVAC)
- Refrigeration
- Industrial/Agricultural/Hi Tech Processes

INCENTIVE RATES AND ENTRY LEVELS

Categories	Entry Levels (% Beyond T24)	Incentive Rate Per Annualized Energy Savings *
Whole Building Approach		
Owner Incentive	10%	$0.10 - $0.25/kWh, $0.34 - $1.00/therm
Design Team Incentive	15%	$0.05 - $0.083/kW, $0.186 - $0.33/therm
Systems Approach		
Daylighting System	See NRNC brochure for specific thresholds and requirements	$0.04/kWh
Lighting System (Interior and Outdoor)		$0.05/kWh
HVAC System		$0.14/kWh, $0.80/therm
Service Hot Water System		$0.08/kWh
Process System**		$0.80/therm

** Incentives are capped at 50% of the incremental costs associated with efficiency upgrades.*

*** Unique building types and/or processes may receive a package of services and incentives that may differ from the Handbook guidelines when PG&E elects to use an alternate delivery method.*

HOW DOES PG&E HELP?

Pacific Gas and Electric Company (PG&E) can help you control your operating expenses by building energy efficiency into your new and existing facilities. Services include energy analyses of existing facilities, design assistance for planned projects, equipment rebates, project incentives, and education and training.

Contact your local PG&E Representative or call **PG&E's Business Customer Service Center** at **1-800-468-4743** for more information.

Contact PG&E early in the design process to determine funding availability, learn about program options, and enhance your project's energy-efficiency potential.

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