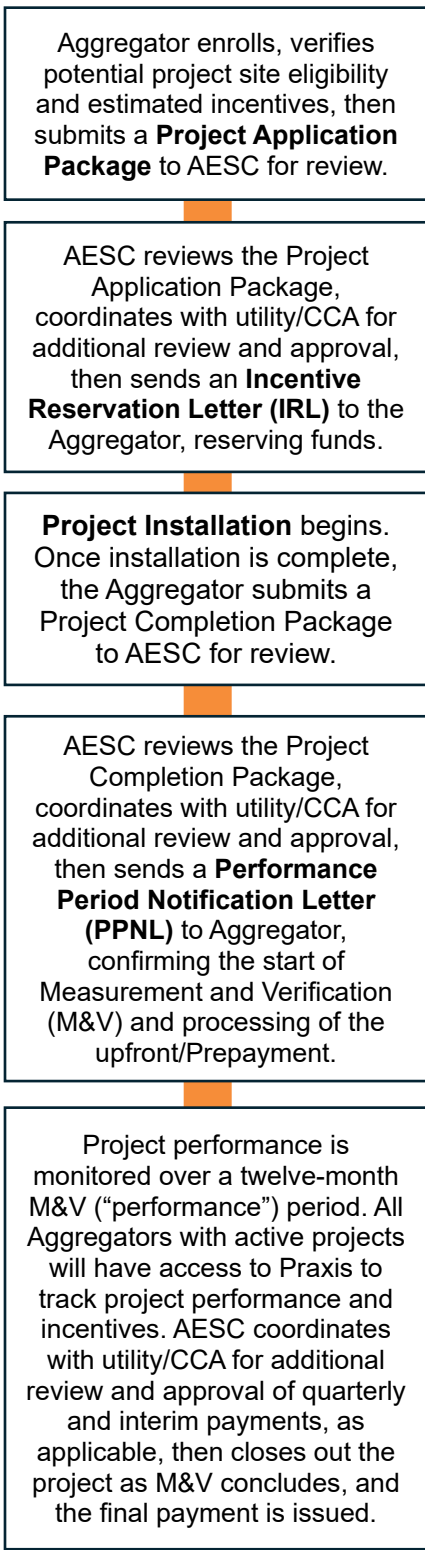


# Metered-Savings Program Outline

Alternative Energy Systems Consulting, Inc. (AESC) implements the **Measured Savings Program for Summer Reliability (MSSR)** in Pacific Gas and Electric Company's service area, the **Measured Savings Program** in Southern California Edison's service area, and the **Commercial Efficiency Market Program** in MCE's service area. The below comparison is intended to highlight eligibility and payment structures for each program.



## Project Submission Overview



PG&E MSSR (Pop-NMEC)	MCE Commercial Energy Efficiency Market Program (Pop-NMEC)	Measured Savings Program in SCE Service Area (Pop-NMEC)
<b>Example Project</b> <b>Project Total System Benefit (TSB): \$50,000</b> M&V Start Date: June 30, 2025		
<p><b>Incentive Value:</b>  <b>\$17,500</b>  <math>\\$0.35/TSB * \\$50,000</math>                      Based on 100% of Forecasted TSB</p>	<p><b>Incentive Value:</b>  <b>\$22,500</b>  <math>\\$0.45/TSB * \\$50,000</math>                      Based on 100% of Forecasted TSB</p>	<p><b>Incentive Value:</b>  <b>\$24,000</b>  <math>\\$0.48/TSB * \\$50,000</math>                      Based on 100% of Forecasted TSB</p>
<p><b>Incentive Prepayment</b>  <b>\$7,875</b>                      45% of \$17,500                      Expected to be paid within 30 days of PPNL issuance</p>	<p><b>Incentive Prepayment</b>  <b>\$5,625</b>                      25% of \$22,500                      Expected to be paid within 30 days of PPNL issuance</p>	<p><b>Incentive Prepayment</b>  <b>\$12,000</b>                      50% of \$24,000                      Issued within 30 days of AESC's receipt of payment from SCE</p>
<p><i>No Quarterly/Interim Payments</i></p>	<p><b>Quarterly Performance Payments</b></p> <ul style="list-style-type: none"> <li>10% holdback per quarter</li> <li>Only paid once the quarterly aggregator cohort has earned more than the upfront payment</li> <li>Equal performance per quarter assumed in the example below</li> <li>Paid within 75 days of prior quarter's end</li> </ul> <p><b>M&amp;V Q1 Payment: \$0</b>  <b>M&amp;V Q2 Payment: \$4,500</b>  <b>M&amp;V Q3 Payment: \$5,063</b>  <b>M&amp;V Q4 Payment: \$7,313</b>                      (\$22,500 – (Upfront Payment + Q1+Q2+Q3 Payments) + Holdback Earned (Up to reservation cap))</p> <ul style="list-style-type: none"> <li>Q4 Payment may include overperformance payment, if applicable</li> </ul>	<p><b>Interim Payment</b>  <b>(\$0.48/TSB * TSB to-date) minus Prepayment</b></p> <ul style="list-style-type: none"> <li>One interim payment per Quarterly Aggregator Cohort, after all projects in Quarterly Aggregator Cohort achieve six months of M&amp;V</li> <li>Payment issued within 30 days of AESC's receipt of payment from SCE</li> </ul>
<p><b>Incentive True-up Payment</b>  <b>\$9,625</b>  <math>\\$17,500 - \\$7,875</math>                      Based on achieving 100% of estimated savings</p> <p>Paid within 75 days after the calendar quarter following 12 months of M&amp;V</p>	<p><b>Incentive True-up Payment</b>  <b>(\$0.48/TSB * Total TSB) minus Prepayment and Interim payment</b></p> <ul style="list-style-type: none"> <li>Payment issued within 30 days of AESC's receipt of payment from SCE</li> <li>Incentive true-up payment may include overperformance payment, if applicable</li> </ul>	<p><b>Incentive True-up Payment</b>  <b>(\$0.48/TSB * Total TSB) minus Prepayment and Interim payment</b></p> <ul style="list-style-type: none"> <li>Payment issued within 30 days of AESC's receipt of payment from SCE</li> <li>Incentive true-up payment may include overperformance payment, if applicable</li> </ul>
<p><b>Overperformance Payment</b></p> <p><i>Overperformance incentives are capped at 120% of the forecasted incentive, or 110% of the total project cost, whichever is less</i></p>		

# Program Eligibility and Payment Outline

Program	Measured Savings Program for Summer Reliability (MSSR)	MCE Commercial Energy Efficiency Market Program	Measured Savings Program
Geographic Eligibility	<a href="#">PG&amp;E Service Area</a> (except areas served by MCE)	<a href="#">MCE Service Area</a> (Contra Costa, Marin, Napa, and Solano counties)	<a href="#">SCE Service Area</a>
Aggregator Eligibility	Any company that can meet and agree to the Participating Aggregator Agreement terms can enroll.		
Customer Eligibility	<ul style="list-style-type: none"> <li>Customer pays the Public Purpose Programs (PPP) surcharge</li> <li>Customer site has not participated in a CPUC ratepayer-funded EE program within the past 12 months</li> <li>At least 12 months of baseline usage data is available, and the project meets other statistical and modeling eligibility requirements</li> <li>SCE Only: business NAICS code on Program's pre-approved list</li> </ul>		
Site Eligibility	<ul style="list-style-type: none"> <li>✗ Indoor agriculture/horticulture and industrial sites are not allowed in either program</li> <li>✓ Site eligibility is determined by, among other things, the North American Industry Classification System (NAICS) code assigned to the premise. Eligible NAICS codes vary by program.</li> </ul>		
Measure Eligibility	Any energy efficiency measure that saves energy and demonstrates an effective useful life of three or more years, including lighting, building retrofits, optimization, load flexibility. Some limitations apply and payable savings only count towards avoided energy from the grid.		Any <u>electric</u> energy efficiency measure that saves energy and demonstrates an effective useful life of three or more years, including lighting, building retrofits, optimization, load flexibility is eligible for the Pop-NMEC pathway. Some limitations apply and payable savings only count towards avoided energy from the grid. For Site-NMEC, gas savings measures will be considered on a case-by-case basis.
	✗ Standalone fuel substitution measures and overall projects with fuel substitution measures resulting in increased electricity usage are not eligible	✓ Standalone fuel substitution measures resulting in increased electricity usage accepted on a case-by-case basis	✗ Fuel substitution measures and projects resulting in increased electricity usage are not eligible
Incentive Rate	Pop-NMEC: \$0.35/TSB Site-NMEC: \$0.33/TSB	Pop-NMEC: \$0.45/TSB	Pop-NMEC: \$0.48/TSB Site-NMEC: \$0.46/TSB
Payment Structure	<ul style="list-style-type: none"> <li>One Prepayment per project based on 45% of the forecasted incentive amount</li> <li>One True-up payment per Quarterly Aggregator Cohort, after 12-month M&amp;V period</li> <li>If applicable, one overperformance payment after 12-month M&amp;V period based on Aggregator Quarterly Cohort</li> </ul>	<ul style="list-style-type: none"> <li>One pre-payment based on 25% of the forecasted incentive value                             <ul style="list-style-type: none"> <li>○ Capped at \$40,000</li> </ul> </li> <li>Four quarterly payments based on the cohort of projects' measured TSB during each quarter of the M&amp;V period                             <ul style="list-style-type: none"> <li>○ 10% holdback applied</li> <li>○ Last quarterly payment includes overperformance payment, if applicable</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>One Prepayment per project based on 50% of the forecasted incentive amount</li> <li>One interim payment (for Pop-NMEC only) paid after all projects in a Quarterly Aggregator Cohort achieve six months of M&amp;V</li> <li>One true-up payment paid made after achieving 12 months of M&amp;V</li> </ul>
Incentive Cap	Capped at the Quarterly Aggregator Cohort level by either: <ul style="list-style-type: none"> <li>120% of cumulative Forecasted Incentive Amount</li> <li>110% of cumulative project costs</li> </ul>	Up to 120% Forecasted Incentive Amount	Capped at the Quarterly Aggregator Cohort level by either: <ul style="list-style-type: none"> <li>120% of cumulative Forecasted Incentive Amount</li> </ul>
Payment Timeframe	<ul style="list-style-type: none"> <li>Prepayment is expected within one (1) month of project acceptance</li> <li>True-up payment is paid quarterly within 75 days of prior performance quarter's end</li> </ul>	<ul style="list-style-type: none"> <li>Upfront payment is expected within one (1) month of project acceptance, but no later than 75 days</li> </ul> Performance payments are paid quarterly within 75 days of prior performance quarter's end	<ul style="list-style-type: none"> <li>All payments will be issued within 30 days of AESC's receipt of payment by SCE.</li> </ul>