

State Energy Efficient Appliance Rebate Program Program Plan Narrative – CONNECTICUT

Executive Summary

Program Summary.

The State of Connecticut Office of Policy and Management (OPM) proposes to partner with the three utility companies to assist in the implementation of this program. These companies are experienced in managing ENERGY STAR appliance rebate programs; in fact all currently have rebate programs in place.

OPM will provide program oversight, but each utility company would be the “go-to” location for residential customers in their respective service territories. Each utility company will provide “in-kind” administrative support, which in combination with the OPM administrative oversight costs would reach the required 50% of total administrative costs. We anticipate a total administrative cost of \$680,000. The federal grant would provide \$340,000 and the utilities and State combined would provide an additional \$340,000.

The utilities will utilize their existing rebate clearing house (all three entities use the same clearing house) to receive and process SEEARP rebates. Consumers will be required to submit rebate application forms within 30 days AFTER their purchase has been made, and independent of the retailer involved.

OPM intends to launch the appliance rebate program in mid-December through February if the

DOE approves the application in a timely manner (Phase 1). Based on available resources, the appliance rebate program will run again for the months of April/May (Phase II). (Room and central air conditioners will be promoted at this time.) If there are still funds available, the rebate program will run again in July (Phase III).

By having limited, pre-determined time periods, the utility companies and retailers will be able to plan more efficiently regarding promotion and inventory. It will also allow OPM to periodically reassess remaining funds and program progress. We do not want to be in the position where we can't meet the rebate commitments. Connecticut consumers will also benefit directly by owning appliances that are more energy efficient. The State (and ratepayers) will benefit by an overall reduction of peak loading.

Outline your specific program objectives in Table 1. All savings numbers should be calculated using the Program Planning Excel Spreadsheet tool.

Table 1. Program Objectives	
Program Objective	Target Value
Total Number of Rebates Paid	42,868
Total Number of Appliances Replaced	42,439
Total Number of Appliances Recycled	36,938
Total Annual Energy Savings (kWh)	4,021,745
Total Annual Energy Savings (Therms)	49,799
Total Annual Water Savings (gallons)	82,672,296
Total Annual CO ₂ Reductions (lbs)	6,020,886
Jobs Created*	37

** DOE is waiting for specific OMB guidance on how to quantify jobs created for reporting purposes. In the meantime, the general guidance is that every \$92,000 expended leads to one "job created."*

Enter a comprehensive timeline with key milestones for your program in Table 2. When will key decisions be made? When will the program be announced? How long will it last? Please add your own milestones as needed.

Table 2. Program Timeline and Milestones	
Program Milestones	Target Date
Hold planning meetings with utility companies	September 14-30
Utility companies submit memo of understanding	October 1, 2009
Submit application to DOE	October 14, 2009
Utility companies and OPM develop rebate process and forms	October 21, 2009
OPM and Utility companies announce rebate program	November 16, 2009
OPM and Utility companies promote program via: Utility mailings State of CT and Utility company websites PR efforts Retailers promote program in circulars and other forms of marketing	November 16- December 31, 2009
Program Launch, Phase I	December 15, 2009
End of Phase I	February 28, 2010

--	--

Table 2. Program Timeline and Milestones (Continued)

Program Milestones	Target Date
Phase II (dependent upon adequate \$ resources)	April 1, 2010
End of Phase II	May 31, 2010
Phase III (If funding remains)	July 1, 2010

I. Program Overview

Please populate the Program Planning Excel Spreadsheet before completing this section. All data in the tables below should correspond with the data in the Excel spreadsheet. Please include an estimate of the total number of appliances that will be recycled through your program, where applicable.

Table 3. Rebate Detail

Products to be Rebated	Rebate Level (\$)	Targeted Quantity	Total Cost	Targeted # of Products Recycled
Refrigerators	\$50	18,113	\$905,650	14,990
Clothes Washers	\$100	12,076	\$1,207,600	12,076
Freezers	\$50	3,020	\$151,000	2,929
Room Air Conditioners	\$50	9,055	\$452,750	6,339
Central A/C	\$500	604	\$302,000	604
	\$		\$	
Total Rebates		42,868	\$3,019,000	36,938

II. Explanation of Covered Products

If all of the State’s proposed products are from the recommended list included in the FOA, then no additional explanation is needed. You can skip to the next section. If other ENERGY STAR qualified products or cold-climate products are proposed, then you must provide a

justification for each product. Data for these additional products must also be included in the Program Planning Excel Spreadsheet.

Justification for ENERGY STAR or cold-climate appliances not on the recommended list.

For each product selected, explain why it will provide significant benefits in your State/Territory, the annual per-unit energy savings, estimated annual sales of product in your State (market share), and price difference between the proposed product and the standard efficiency alternative. Include any other explanation you feel justifies the inclusion of this product in your program.

Product:

Annual per-unit Energy Savings:

Estimated Sales or Market Share in your State:

Price Difference:

Explanation on how this product benefits your State:

III. Integrating SEEARP Rebates with Existing State or Utility Incentives

States must design their SEEARP rebates to complement existing State or utility incentives available to local residents. In addition, States must ensure that the ARRA funds supplement and do not supplant current efforts. In the table below, please note for each product you propose to rebate whether there are any current (or planned) State rebates or tax credits, or any utility rebate programs. Please base this on what is planned for 2010-2011.

Table 4. Overlap with Existing Incentives		
Products to be Rebated	Other State Rebate or Tax Incentive Available? (Yes / No)	Utility Rebates Available? (Yes / No)
Refrigerator	No	Yes
Clothes Washer	No	Yes
Freezer	No	Yes
Room Air Conditioner	No	No* (except for CMEEC)
Central A/C, Heat Pump	No	Yes

For those products where there will be other rebates or incentives available, please list each of the individual programs in the table below. Complete one table for each applicable product. You do not need to list utility programs offered for products you will not be rebating. Include the name of the sponsoring organization (i.e., the utility or other program sponsor), the efficiency level being used (such as ENERGY STAR), the rebate amount, when the program will be in operation, and budgeted number of rebates if known. Then explain how the State’s proposed

rebate level is designed to complement these other efforts. Some possible explanations are noted below. You can copy the table as many times as needed.

Product 1: Refrigerators				
Program Sponsor	Efficiency Level	Rebate Amount	When Available	Budgeted Quantity Of Rebates
United Illuminating Co.	Energy Star	\$50 /\$100 if used within 45 days of energy audit	Available through Home Energy Solutions Energy Audit Program (ongoing)	
Connecticut Light & Power	Energy Star	\$50 /\$100 if used within 45 days of energy audit	Available through Home Energy Solutions Energy Audit Program (ongoing)	
Connecticut Municipal Electric Energy Cooperative	Energy Star	\$60	Through 12/31/09, may be extended for one year	
How does State's Proposal Complement these Programs? (Check all that apply)				
X	Layering on top of existing rebates to increase total incentive payment to consumers.			
	Directing State rebate to products at a different or higher efficiency level.			
X	Extending the availability (i.e., the quantity) of existing planned rebates.			
	Other (Please explain)			

Product 2: Freezers				
Program Sponsor	Efficiency Level	Rebate Amount	When Available	Budgeted Quantity Of Rebates
United Illuminating Co.	Energy Star	\$25/\$50 if used within 45 days of energy	Available through Home Energy Solutions Energy Audit	

		audit	Program (ongoing)	
Connecticut Light & Power	Energy Star	\$25/\$50 if used within 45 days of energy audit	Available through Home Energy Solutions Energy Audit Program (ongoing)	
Connecticut Municipal Electric Energy Cooperative	Energy Star	\$60	Through 12/31/09, may be extended for one year	
How does State's Proposal Complement these Programs? (Check all that apply)				
X	Layering on top of existing rebates to increase total incentive payment to consumers.			
	Directing State rebate to products at a different or higher efficiency level.			
X	Extending the availability (i.e., the quantity) of existing planned rebates.			
	Other (Please Explain)			

Product 3: Clothes Washers				
Program Sponsor	Efficiency Level	Rebate Amount	When Available	Budgeted Quantity Of Rebates
United Illuminating Co.	Energy Star	\$50/\$100 if used within 45 days of energy audit	Available through Home Energy Solutions Energy Audit Program (ongoing)	
Connecticut Light & Power	Energy Star	\$50/\$100 if used within 45 days of energy audit	Available through Home Energy Solutions Energy Audit Program (ongoing)	
CT Municipal Electric Energy	Energy Star	\$60	Through	

Cooperative			12/31/09, may be extended for one year	
How does State's Proposal Complement these Programs? (Check all that apply)				
	Layering on top of existing rebates to increase total incentive payment to consumers.			
X	Directing State rebate to products at a different or higher efficiency level. To CEE-Tier 2			
X	Extending the availability (i.e., the quantity) of existing planned rebates.			
	Other (Please Explain)			

Product 4: Room Air Conditioners/Heat Pumps				
Program Sponsor	Efficiency Level	Rebate Amount	When Available	Budgeted Quantity Of Rebates
CT Municipal Electric Energy Cooperative	Energy Star	\$50	Through 12/31/09, may be extended for one year	
How does State's Proposal Complement these Programs? (Check all that apply)				
X	Layering on top of existing rebates to increase total incentive payment to consumers. (for CT Municipal Electric Energy Cooperative only)			
	Directing State rebate to products at a different or higher efficiency level.			
	Extending the availability (i.e., the quantity) of existing planned rebates.			
X	Other (Please Explain) In United Illuminating and Conn. Light & Power territories, this will be a new product for which rebates will be offered			

Product 5: Central Air Conditioners (inc. Split systems, Heat pumps, Ductless systems)				
Program Sponsor	Efficiency Level	Rebate Amount	When Available	Budgeted Quantity Of Rebates
United Illuminating Co.	Energy Star	\$500/\$1,000 if used within 45 days of	Available through Home Energy Solutions	

		energy audit	Energy Audit Program (ongoing)	
Connecticut Light & Power	Energy Star	\$500/\$1,000 if used within 45 days of energy audit	Available through Home Energy Solutions Energy Audit Program (ongoing)	
CT Municipal Electric Energy Cooperative	Energy Star	Tier 1- \$200/ton Tier 2- \$300/ton	Through 12/31/09, may be extended for one year	
How does State's Proposal Complement these Programs? (Check all that apply)				
X	Layering on top of existing rebates to increase total incentive payment to consumers. – (For CT Municipal Electric Energy Cooperative only)			
X	Directing State rebate to products at a different or higher efficiency level: AHRI Rated CEE Tier 2 (for United Illuminating and CL&P only)			
	Extending the availability (i.e., the quantity) of existing planned rebates.			
	Other (Please Explain)			

IV. Program Implementation Strategy

A. Program Delivery – Roles and Responsibilities

The State of Connecticut Office of Policy and Management (OPM) will provide overall program oversight and management. Existing staff resources will be assigned to work with the utility partners, respond to consumer inquiries, and interface with DOE on the progress of the program. OPM will be responsible for all required federal reporting.

Each utility company will be the “go-to” location for residential customers in their respective service territories. The territory of the three utility entities covers the entire state, so this will ensure that all residents can participate. The utility company partners will be responsible for day-to-day program administration. Using their existing infrastructure and resources, the program application and rebate processing will be their direct responsibility. Each utility partner will collect and report on a monthly basis, data regarding rebates paid. OPM will reimburse the utility partners for rebates paid as well as a per rebate administrative fee.

B. Program Partners

The Program Partners include the following three utility companies: Connecticut Light and Power (CL&P), Connecticut Municipal Electric Energy Cooperative (CMEEC) and United Illuminating (UI). All three entities utilize Energy Federation Inc. (EFI) as the processing house for their rebates, and will utilize them for ARRA rebates also.

C. Rebate Processing

Rebates under this program shall be “post consumer purchase”, that is consumers may apply for a rebate only after they have purchased and received an eligible appliance. Rebate applications will be available at the point of sale (retailer locations), online at the utility partner websites, online at the State’s energy information websites, or by calling the local utility company.

Consumers must send in their rebate application with all required documentation, postmarked within 30 days of purchase, to the address as indicated on the application. Rebate applications will be processed using the pre-existing agreement that all three utility companies have with a rebate clearing house. Applications will be processed and paid on a first-come, first-served basis. Rebate application materials will make it clear that rebates will only be paid subject to availability of funds. Submittal of an application is not a guarantee of a rebate being paid.

The rebate amount will be sent to the consumer within 60 days of receipt of their application. The method of payment will be a check. The processing house will determine what utility is responsible for a particular customer, based on geographical location, and will bill the appropriate utility. The State will then reimburse the utility. It is intended that payments will be made on at least a monthly basis, but may be made more frequently as may be necessary.

The ARRA rebates will be tracked separately from other rebate programs and reported at least monthly to the State. Should consumers have inquiries or problems they will contact their local utility company. The utility companies and/or their subcontractor will be prepared with extra staff during the rebate promotion periods. The State, together with the utility companies will track the remaining budget to avoid oversubscription.

D. Program Eligibility Rules

This rebate offer is valid for residential CL&P, UI and CMEEC electric service customers. Appliances must be replaced and installed by a licensed contractor when applicable, in the service territory of the participating electric utility. This program covers appliances purchased, replaced and installed on or after December 15, 2009 through May 31, 2010 (or later, depending upon availability of funds). The application and documentation of purchase must be postmarked within thirty (30) days of purchase. Exact dates to be determined upon approval of Phases I and II. One rebate per appliance per household is permitted.

E. Product Replacement

The customer will sign an attestation that the purchased product is replacing an existing product. This will be a requirement placed on the rebate application. The consumer will be provided the application or notified of application availability at time of removal of old appliance and delivery of new appliance.

F. Product Recycling

The State will encourage consumers to properly recycle all appliances that have been replaced. Waste as a result of the appliance rebate program will be in the form of used appliances. Among the waste will be steel, plastic, glass, copper, and refrigerant. Most retailers in the state will take old appliances when the new one is delivered, and the major retailers have a third party recycling company that will recycle the usable materials.

The State already requires all retailers to recycle according to rules and regulations of the State of Connecticut. Accordingly any appliances with refrigerants or any other hazardous chemicals must be recycled and/or disposed of according to the requirements of the State of Connecticut Department of Environmental Protection. All appliances that are being replaced cannot be recycled for the use of any other consumer, resident and/or organization.

Individuals may also directly dispose of old appliances. Municipal transfer stations accept appliances for disposal. The appliance is removed from the transfer station by a disposal company for recycling of the refrigerant and recoverable materials, and disposal of materials that cannot be reused/recycled.

The State of Connecticut is asking its partners to encourage recycling to the greatest extent possible.

G. Marketing and Outreach

Within fourteen (14) days of application approval by DOE, the State will notify retailers regarding the appliances eligible for rebates and dates of promotions via press releases and direct contact, whenever possible.

The State will promote the rebate program and all eligibility requirements via press releases, website and earned media. The State expects that the utility company partners will promote to their customers via their websites, public relations department, customer billings and mailings. The State expects that the retailers will promote through advertisements, media buys and print materials. The State will provide ENERGY STAR contact information and materials when appropriate.

Status of Available Funding: By having limited, predetermined time periods (Phase I, II, etc.) the State will be able to monitor the level of funds remaining for rebates. Website information will be updated and press releases reissued as needed, to keep the public informed regarding remaining resources and when funds are nearly depleted.

Disclaimers for program materials and rebate applications will be developed by the utility companies and reviewed by the State of Connecticut, Office of Policy Management. Following are “draft” examples:

Limitation of Liability: The State of Connecticut, CL&P, UI and CMEEC’s liability is limited to paying the rebate incentive specified. The State of Connecticut, CL&P, UI and CMEEC are not liable for any consequential or incidental damages, or for any damages in tort connected with or resulting from participation in this program.

Tax Liability: The State of Connecticut, CL&P, UI and CMEEC will not be responsible for any tax liability that may be imposed on the Customer as a result of the payment of rebate incentives.

Endorsement: The State of Connecticut, CL&P, UI and CMEEC do not endorse any particular manufacturer, contractor, vendor, product, retailer or system design in promoting this program.

Warranties: The State of Connecticut, CL&P, UI and CMEEC DO NOT WARRANT THE PERFORMANCE OF INSTALLED AND/OR PURCHASED APPLIANCES AND/OR EQUIPMENT EXPRESSLY OR IMPLICITLY. The State of Connecticut, CL&P, UI and CMEEC make no warranties or representations of any kind whether statutory, expressed, or implied, including without limitations, warranties of merchantability or fitness for a particular purpose regarding the appliance or services provided by a manufacturer, contractor or vendor. Contact your Contractor or Retailer for details regarding appliance and/or equipment performance and warranties.

V. Oversight and Reporting

A. Oversight

The State of Connecticut Office of Policy and Management (OPM) will provide overall program oversight and management. Existing staff resources will be assigned to work with the utility partners, respond to consumer inquiries, and interface with DOE on the progress of the program. OPM will be responsible for all required federal reporting. OPM will reimburse the utility partners for rebates paid as well as a per rebate administrative fee.

The utility company partners will be responsible for day-to-day program administration. Using

their existing infrastructure and resources, the program application and rebate processing will be their direct responsibility. The utility companies have many years of experience to insure quality assurance and minimize fraud within the rebate disbursement process.

The State will receive monthly reports from the utility companies. Each utility partner will collect and report on a monthly basis, data regarding rebates paid. The reports will monitor the volume and dollar amounts of rebates processed from correctly completed applications that have been submitted. It is expected that because the rebate program will be promoted in “phases,” this will eliminate or curtail the potential of depleting available funding for the rebates within the designated promotion phase.

B. Progress Reporting

As outlined in the FOA, States are required to submit a progress report for all activities on a quarterly basis. **DOE will issue clarification shortly on any additional reporting requirements with specific Excel tools for ease of reporting.** States should plan staffing accordingly to accommodate monthly tracking of the metrics listed below, as well as potential Recovery Act reporting.

This reporting does not replace any additional reporting required under The American Recovery and Reinvestment Act of 2009, Pub. L. 111-5. Additional monitoring and reporting guidance will be forthcoming. Please refer to your FOA for detailed information.

Notes on Metrics:

Total # of State Rebates Paid

Although reporting will be quarterly, the State must track rebates paid monthly for each category of appliances selected.

Total # of other State/Utility Rebates Paid

Based on the listing of other State and utility programs in the State, as supplied in Section III., above, the State must report the rebates actually paid to consumers by other State or utility programs.

Total # of Appliances Recycled

Based on management of recycling as detailed in section F of the Program Implementation Strategy, explain how the State will collect information on appliances recycled by type over the reporting period.

Number of Jobs Created

For all project types, the number of jobs that are created or retained during the reporting period should be reported; each job should only be reported once. This number must be based on actual employees. If actual jobs cannot be verified, the state may propose its own methodology for estimating jobs; this methodology must be approved in advance.

Estimated Energy Saved and CO₂ emissions avoided

States are expected to provide the interim estimated benefits due to the rebates provided. This primarily takes the form of annual energy savings and CO₂ abatement due to activity in the period. For example, if 1000 rebates were delivered in the quarter, report the expected annual savings due to the appliances sold. The reporting framework will include an estimate calculation of kWh, BTU saved and CO₂ for each specific appliance. The State may report this value or values based on its own methodology, with justification and approval.

VI. Applicant Contact Information

State Program Contact One (Business Officer) (The person who is responsible for the day-to-day management, including progress reporting.):

Name and Title: Maraide Sullivan, Purchase of Services Program Manager
Agency: Connecticut Office of Policy and Management
Email: maraide.sullivan@ct.gov
Phone: 860-418-6371

State Program Contact Two:

Name and Title: John Ruckes, Planning Specialist
Agency: Connecticut Office of Policy and Management
Email: john.ruckes@ct.gov
Phone: 860-418-6384

State Single Point of Contact to Comply with Executive Order 12372 (FOA, page 13):

Name and Title: MaryAnn Palmarozza
Agency: Connecticut Office of Policy and Management
Email: maryann.palmarozza@ct.gov
Telephone: 860-418-6487

Website URL where the State application will post public communications:

<http://www.ct.gov/opm/cwp/view.asp?a=2994&q=437164>

Contact Information for each sub awardee (expand as needed):

Company	Contact Person	Email	Telephone Number	Website URL
Connecticut Light & Power	Ron Araujo	araujrj@nu.com	(860) 832-4972	www.cl-p.com
Connecticut Municipal Electric Energy Cooperative	Michael Cassella	mcassella@cmeeec.org	(860) 889-4088	www.cmeeec.com
United Illuminating Company	Pat McDonnell	pat.mcdonnell@uinet.com	(203) 499-2923	www.uinet.com