

Electric Standard Offer Program

Procedure No. 360-12

Date of Commercial Operation for Standard Offer Host Facilities

1. Purpose:

The purpose of this document is to standardize Public Service Electric and Gas's (PSE&G) procedure for issuing the Date of Commercial Operation (DOCOC) for Standard Offer Host Facilities. Large Industrial & Commercial (Large I&C) facilities, Special Case Monitoring facilities, and Small Industrial & Commercial (Small I&C) Blocks will be issued DOCOCs as described below.

2. Description:

Large Industrial and Commercial Standard Offer Host Facilities (Appendix A, Exhibit 5) traditionally have been issued DOCOCs effective the first day of the month depending on the date that PSE&G receives the facilities As Built and on receipt of final approval for all Energy Savings Measures at the scheduled Implementation Audit. As Built that are received on the fifteenth day of the month or earlier are issued DOCOCs for the first day of that month. As Built that are received by PSE&G after the fifteenth are issued DOCOCs for the first day of the following month. PSE&G will continue to issue Large I&C DOCOCs in the manner described above.

In order to be consistent, Special Case (Appendix A, Exhibit 6) and Small Industrial and Commercial (Appendix A, Exhibit 4) Host Facilities will be issued DOCOCs based on the date that the last As Built is received by PSE&G for the Special Case or Block (Small Industrial and Commercial Host Facilities are issued DOCOCs by Block of facilities). If the last As Built for a Special Case or Block is received on the fifteenth day or earlier, a DOCOC will be issued for the first day of that month. If the last As Built for the Special Case or Block is received after the fifteenth day of the month, a DOCOC will be issued for the first day of the following month.

Prior to issuing a DOCOC, PSE&G must inspect and approve all End Use equipment and verify that it is capable of providing the energy savings at the level specified in the Project Proposal. Article V "Monitoring", of the Agreement requires that PSE&G "make a reasonable effort to perform an Implementation Audit within thirty (30) Business Days after the Seller serves notice". PSE&G strives to perform Implementation Audits within ten business days of receipt of the As Built notification. If, due to no fault of the Seller, PSE&G is not able to perform the Implementation Audit within a reasonable timeframe, the DOCOC will still be issued based on the date that the last As Built is received provided that the Seller receives approval upon final inspection at the scheduled audit. If a Large I&C facility or a facility belonging to a Special Case or Small I&C Block does not receive approval from PSE&G at the scheduled Implementation Audit, the DOCOC for that Large I&C facility, Special Case or Small I&C Block will be issued for the first day of the month based on the date that final approval is given by PSE&G.

3. Seller Responsibilities:

The Seller will submit the As Built for Host Facilities to PSE&G once all End Use equipment has been installed and the Monitoring and Verification system (M&V) is operational.

The Seller will submit a Monthly Billing Statement for energy savings achieved at the Host Facilities starting from the Date of Commercial Operation.

The Seller is responsible for collecting accurate and verifiable M&V data from the DOCO regardless of the when PSE&G performs the Implementation Audit. If M&V system data is not available, the DOCO may need to be re established.

4. PSE&G Responsibilities:

PSE&G will inspect and approve all End Use equipment and verify that it is capable of providing the energy savings at the level specified in the Project Proposal for the Large I&C facility, or facilities belonging to the Special Case or Small I&C Block.

PSE&G is responsible for performing Implementation Audits within a reasonable time frame.

5. References:

Standard Offer II

Article I Definitions

“Date of Commercial Operation” means the date on which a Host Facility achieves Commercial Operation.

“Commercial Operation” means with respect to each Host Facility the date on which Energy Savings are first provided by Seller and billed to PSE&G following PSE&G’s inspection and approval of the Project at the Implementation Audit to determine that End Use equipment has been installed and is capable of providing Energy Savings at the level specified in the Project Proposal.

Article IV Billing and Payment

“PSE&G shall make a reasonable effort to remit payment, less Monthly Service Charge, to Seller within thirty (30) days after receipt of a properly submitted and verified Monthly Billing Statement. If neither received written notice from the other party of an objection to a Monthly Billing Statement within thirty (30) days from the date of Monthly Billing Statement, said Monthly Billing Statement shall be deemed conclusive and binding on the parties absent manifest error.”

Article V Monitoring

(b) Implementation Audit. “Seller shall notify PSE&G when implementation is completed for each Host Facility so that PSE&G may inspect and approve Host Facility(ies) for the purpose of establishing the Data of Commercial Operation. PSE&G shall make a reasonable effort to perform an Implementation Audit (so called herein) within thirty (30) Business Days after Seller serves notice on PSE&G that the Host Facility is ready for the audit.”

Measurement Protocol For Commercial and Industrial Facilities

Appendix A:

Exhibit 4: "PSE&G's Sampling Plan for Facilities in a Project Proposal With a Total Savings Less Than 50kW".

This section outlines the Sampling Metering plan for **Small I&C Host Facilities**.

Exhibit 5: "PSE&G's Sampling Plan for Control Circuits". This section outlines the number of control circuits for each hours of operation group that must be metered for **Large I&C Host Facilities**.

Exhibit 6: "Special Case Measurement and Verification for Measures Affecting Constant Load, Non-Weather Sensitive End Uses (But not Affecting Operating Hours) For Proposals with Facility Summer Prime Load Reductions Below 50 kW". This section outlines the eligibility and metering requirements for **Special Case Host Facilities**.

Section J: "PSE&G conducts the post installation inspection, and notifies the Sponsor of the DOCO date once all facilities have been inspected and completed."

Approved By: _____ **Date:** _____

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