

SDG&E MAP Project Cost Documentation

MAP will comply with the general Energy Efficiency guideline that incentives cannot exceed total project cost. Aggregators will be asked to provide documentation to support the total project cost amount. Aggregators are expected to provide documentation that substantiates actual/reasonable costs. Such costs can include reasonable program management fees, profit, and equipment markups, but all such costs should be in line with standard industry practices for projects/similar work that receive no incentives. Thus, it is expected that submitted cost documentation will not be created to “fit” the available incentive. SDG&E reserves the right to modify any submitted cost values, if it deems them to be unreasonable or unjustified, for purposes of limiting incentives.

Incentive Limit

For all projects with an Effective Useful Life (EUL) of greater than 1 year, the total of all incentive payments for a project will be limited to the Project Cost of that project. For purposes of this limit, Project Cost submitted by the Aggregator must be supported by customer and wholesaler/supplier invoices. It is expected that Aggregators will present an invoice to the project’s end-use customer. If the project is being performed at a reduced fee because of the MAP incentive, that price reduction, which does not need to equal the MAP incentive, will be shown on the invoice. The gross cost of the project shown on the invoice should be the cost that the Aggregator would charge the customer without an incentive from MAP and not a “created” cost based on the MAP incentive. Invoices should include both material costs and labor costs. Invoice totals may also include all overhead and profit amounts. All cost documentation is subject to SDG&E review and approval.

Documentation Requirements

1. Customer Invoice: Customer invoices will be used to document actual costs to the customer. Invoice documents are the documents submitted to the customer for work completed. Invoice line items should include:
 - Equipment costs (including any markup)
 - Labor costs (fully loaded)
 - Other soft costs
 - SDG&E MAP Incentive paid to customer, if any
 - Net cost to customer
2. Equipment Invoices: Equipment invoices must show the actual cost paid by the Aggregator (or Aggregator’s installer) for all equipment. Any difference between the wholesale equipment costs listed on this invoice(s) and the customer invoice must represent a reasonable markup (as determined by industry standard practice).
3. Installer Invoice: If installation is being performed by a vendor other than the Aggregator, then the installer’s invoice to the Aggregator shall also be submitted.
4. If vendor performing work is a participating partner or purchases equipment from a participating partner of a Statewide Midstream program (i.e., HVAC or Lighting), verification of incentives paid through that program is required. Any savings for equipment incentivized by a Statewide Midstream program will be removed from MAP savings and resulting incentive.