

Andrew S. Marcaccio, Counsel  
PPL Services Corporation  
AMarcaccio@pplweb.com

280 Melrose Street  
Providence, RI 02907  
Phone 401-784-7263



June 7, 2022

**VIA ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: Docket 5189 – 2022 Annual Energy Efficiency Program Plan  
Review of Invoices within the Energy Efficiency Program**

Dear Ms. Massaro:

Enclosed for filing on behalf of The Narragansett Electric Company d/b/a Rhode Island Energy (the “Company”) in the above-referenced docket is a copy of the Company’s report summarizing its review of invoices within the Energy Efficiency Program.

Thank you for your attention to this matter. If you have any questions, please contact me at 401-784-7263.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Andrew S. Marcaccio".

Andrew S. Marcaccio

cc: Docket 5189 Service List  
Margaret Hogan, Esq., Division  
John Bell, Division  
Joel Munoz, Division

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.

\_\_\_\_\_  
Joanne M. Scanlon

June 7, 2022

Date

**Docket No. 5189 - National Grid – 2022 Annual Energy Efficiency Program  
Service list updated 6/1/2022**

<b>Name /Address</b>	<b>E-mail Distribution List</b>	<b>Phone</b>
<b>Rhode Island Energy</b> Andrew Marcaccio, Esq. PPL Services Corporation 280 Melrose St. Providence, RI 02907  Leticia C. Pimentel, Esq. Robinson & Cole LLP One Financial Plaza, 14th Floor Providence, RI 02903	<a href="mailto:amarcaccio@pplweb.com">amarcaccio@pplweb.com;</a>	401-784-4263
	<a href="mailto:cobrien@pplweb.com">cobrien@pplweb.com;</a>	
	<a href="mailto:jhutchinson@pplweb.com">jhutchinson@pplweb.com;</a>	
	<a href="mailto:jscanlon@pplweb.com">jscanlon@pplweb.com;</a>	
	<a href="mailto:jdrichards@rienergy.com">jdrichards@rienergy.com;</a>	
	<a href="mailto:jldarling@rienergy.com">jldarling@rienergy.com;</a>	
	<a href="mailto:dmmoreira@rienergy.com">dmmoreira@rienergy.com;</a>	
	<a href="mailto:barivers@rienergy.com">barivers@rienergy.com;</a>	
	<a href="mailto:bsfeldman@rienergy.com">bsfeldman@rienergy.com;</a>	
	<a href="mailto:ditukey@rienergy.com">ditukey@rienergy.com;</a>	
	<a href="mailto:fcharlot@rienergy.com">fcharlot@rienergy.com;</a>	
	<a href="mailto:ecrafts@rienergy.com">ecrafts@rienergy.com;</a>	
	<a href="mailto:bjpelletier@rienergy.com">bjpelletier@rienergy.com;</a>	
	<a href="mailto:jkessler@rienergy.com">jkessler@rienergy.com;</a>	
<a href="mailto:LPimentel@rc.com">LPimentel@rc.com;</a>		
<a href="mailto:skbreininger@pplweb.com">skbreininger@pplweb.com;</a>		
<a href="mailto:rjreybitz@pplweb.com">rjreybitz@pplweb.com;</a>		
<b>Division of Public Utilities and Carriers</b> Margaret L. Hogan, Esq.	<a href="mailto:Margaret.L.Hogan@dpuc.ri.gov">Margaret.L.Hogan@dpuc.ri.gov;</a>	401-780-2120
	<a href="mailto:Jon.hagopian@dpuc.ri.gov">Jon.hagopian@dpuc.ri.gov;</a>	
	<a href="mailto:john.bell@dpuc.ri.gov">john.bell@dpuc.ri.gov;</a>	
	<a href="mailto:Joel.munoz@dpuc.ri.gov">Joel.munoz@dpuc.ri.gov;</a>	
Tim Woolf Jennifer Kallay Synapse Energy Economics 22 Pearl Street Cambridge, MA 02139	<a href="mailto:twoolf@synapse-energy.com">twoolf@synapse-energy.com;</a>	
	<a href="mailto:jkallay@synapse-energy.com">jkallay@synapse-energy.com;</a>	
<b>RI EERMC</b> Marisa Desautel, Esq. Office of Marisa Desautel, LLC	<a href="mailto:marisa@desautelesq.com">marisa@desautelesq.com;</a>	401-477-0023
	<a href="mailto:mdewey@desautelesq.com">mdewey@desautelesq.com;</a>	
	<a href="mailto:guerard@optenergy.com">guerard@optenergy.com;</a>	

55 Pine St. Providence, RI 02903  Mike Guerard, Optimal Energy	<a href="mailto:ross@optenergy.com">ross@optenergy.com</a> ;	
<b>Acadia Center</b> Hank Webster, Director & Staff Atty.	<a href="mailto:HWebster@acadiacenter.org">HWebster@acadiacenter.org</a> ;	401-276-0600 x402
<b>Office of Energy Resources (OER)</b> Albert Vitali, Esq. Dept. of Administration Division of Legal Services One Capitol Hill, 4 <sup>th</sup> Floor Providence, RI 02908  Nick Ucci, Commissioner	<a href="mailto:Albert.Vitali@doa.ri.gov">Albert.Vitali@doa.ri.gov</a> ;	401-222-8880
	<a href="mailto:Nancy.Russolino@doa.ri.gov">Nancy.Russolino@doa.ri.gov</a> ;	
	<a href="mailto:Christopher.Kearns@energy.ri.gov">Christopher.Kearns@energy.ri.gov</a> ;	
	<a href="mailto:Nicholas.Ucci@energy.ri.gov">Nicholas.Ucci@energy.ri.gov</a> ;	
	<a href="mailto:Becca.Trietch@energy.ri.gov">Becca.Trietch@energy.ri.gov</a> ;	
	<a href="mailto:Carrie.Gill@energy.ri.gov">Carrie.Gill@energy.ri.gov</a> ;	
	<a href="mailto:Anika.Kreckel.CTR@energy.ri.gov">Anika.Kreckel.CTR@energy.ri.gov</a> ;	
<a href="mailto:Nathan.Cleveland@energy.ri.gov">Nathan.Cleveland@energy.ri.gov</a> ;		
<b>Original &amp; 9 copies file w/:</b> Luly E. Massaro, Commission Clerk John Harrington, Commission Counsel Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	<a href="mailto:Luly.massaro@puc.ri.gov">Luly.massaro@puc.ri.gov</a> ;	401-780-2107
	<a href="mailto:John.Harrington@puc.ri.gov">John.Harrington@puc.ri.gov</a> ;	
	<a href="mailto:Alan.nault@puc.ri.gov">Alan.nault@puc.ri.gov</a> ;	
	<a href="mailto:Todd.bianco@puc.ri.gov">Todd.bianco@puc.ri.gov</a> ;	
	<a href="mailto:Emma.Rodvien@puc.ri.gov">Emma.Rodvien@puc.ri.gov</a> ;	
<b>Interested Party/Individual</b>		
National Grid	<a href="mailto:Theresa.Burns@nationalgrid.com">Theresa.Burns@nationalgrid.com</a> ;	
	<a href="mailto:Scott.McCabe@nationalgrid.com">Scott.McCabe@nationalgrid.com</a> ;	
Frederick Sneesby Dept. of Human Services	<a href="mailto:Frederick.sneesby@dhs.ri.gov">Frederick.sneesby@dhs.ri.gov</a> ;	
Chris Vitale, Esq., RI Infrastructure Bank	<a href="mailto:cvitale@hvlawltd.com">cvitale@hvlawltd.com</a> ;	
	<a href="mailto:SUatine@riib.org">SUatine@riib.org</a> ;	
Green Energy Consumers Alliance Larry Chretien, Executive Director Kai Salem	<a href="mailto:Larry@massenergy.org">Larry@massenergy.org</a> ;	
	<a href="mailto:kai@greenenergyconsumers.org">kai@greenenergyconsumers.org</a> ;	
	<a href="mailto:priscilla@greenenergyconsumers.org">priscilla@greenenergyconsumers.org</a> ;	

STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION

---

THE NARRAGANSETT ELECTRIC COMPANY’S )  
2022 ANNUAL ENERGY EFFICIENCY PLAN ) DOCKET NO. 5189  
)

---

**REVIEW OF INVOICES WITHIN THE ENERGY EFFICIENCY PROGRAM**

The Narragansett Electric Company (the “Company”) conducted an internal investigation and review<sup>1</sup> of out-of-period invoices within the Rhode Island residential upstream lighting energy efficiency program (“Residential Upstream Lighting”)<sup>2</sup> and, based on those results, expanded its review to determine the extent to which similar conduct or practices, if any, occurred within other energy efficiency programs. The Company found 48 instances<sup>3</sup> of similar practices (inclusive of the Residential Upstream Lighting instances), resulting in a proposed net downward adjustment of the Company’s performance incentives for program years 2012 – 2020 of \$1,400,423.00.<sup>4</sup> Subject to any modifications or directives that may be issued by the Public Utilities Commission (“PUC”), the Company will credit \$1,276,288.00<sup>5</sup> to the energy efficiency fund by July 1, 2022.

---

<sup>1</sup> The internal investigation (investigation and review are used interchangeably herein) was conducted while The Narragansett Electric Company was under the ownership and control of National Grid USA. On May 25, 2022, PPL Rhode Island Holdings, LLC, an indirect wholly owned subsidiary of PPL Corporation, acquired 100 percent of the outstanding shares of common stock of The Narragansett Electric Company now doing business as Rhode Island Energy.

<sup>2</sup> See the Company’s response to PUC 5-4 in Docket No. 5189, [http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-DR-PUC%20Set%205%20\(PUC%201-6-22\)%20\(Complete%20Batch\)bates.pdf](http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-DR-PUC%20Set%205%20(PUC%201-6-22)%20(Complete%20Batch)bates.pdf).

<sup>3</sup> An instance is one program in one program year. For example, the same program having out-of-period invoices in five different program years would be considered five instances.

<sup>4</sup> This amount is inclusive of the \$124,135 that was identified in the Company’s response to PUC 5-4, which was credited to the energy efficiency fund on or around February 1, 2022.

<sup>5</sup> Reflects the reduction of \$124,135 that was already credited on or around February 1, 2022.

## I. PROCEDURAL BACKGROUND

On November 30, 2021, Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid (collectively, “National Grid”) filed a response to an information request (“DPU-Comm 9-11”)<sup>6</sup> issued by the Massachusetts Department of Public Utilities (“DPU”) in DPU Docket No. 21-128 through which National Grid and other energy efficiency program administrators in Massachusetts (collectively, the “PAs”) identified noncompliance with certain program rules by one program participant serving as a manufacturer/distributor of energy efficient lighting products (the “Manufacturer”). The Manufacturer served as a program participant in both Massachusetts and Rhode Island, and National Grid and the Company determined that the noncompliance described in the response to DPU-Comm 9-11(a) applied to both Massachusetts and Rhode Island program rules.

On December 15, 2021, the PUC issued a data request (“PUC 5-4”) to the Company in Docket No. 5189 following up on National Grid’s response to DPU-Comm 9-11. In response to PUC 5-4,<sup>7</sup> the Company disclosed the noncompliance of program rules by the Manufacturer as had been disclosed to the DPU via DPU-Comm 9-11 and an additional item related to out-of-period invoices within Residential Upstream Lighting.

On January 13, 2022, at an evidentiary hearing in Docket No. 5189, the PUC issued a record request (“RR-5”) for “any reports the Company received or has done related to the items of noncompliance described in the Company’s response to PUC 5-4.” In response, the Company

---

<sup>6</sup> See National Grid’s response to DPU-Comm 9-11, <https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/14264682>.

<sup>7</sup> The Company responded to PUC 5-4 on December 23, 2021. The Company subsequently filed a complete set of responses to PUC Set 5 dated January 7, 2022. The complete set of responses to PUC Set 5 is posted to the PUC’s website and may be found at [http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-DR-PUC%20Set%205%20\(PUC%201-6-22\)%20\(Complete%20Batch\)bates.pdf](http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-DR-PUC%20Set%205%20(PUC%201-6-22)%20(Complete%20Batch)bates.pdf).

identified three responsive documents and provided two of the documents in part. The Company objected to providing one of the documents and the full content of the other two documents citing privileged attorney-client communications and attorney work product.<sup>8</sup> On January 25, 2022, the PUC ruled on the Annual Energy Efficiency Plan for 2022 but left Docket No. 5189 open to examine the items that were disclosed in the Company's response to PUC 5-4 and the materials that were submitted in response to RR-5.

On February 2, 2022, the PUC issued a First Set of Post-Decisional Data Requests to the Company asking if the Company had expanded its investigation to determine whether out-of-period invoices occurred beyond Residential Upstream Lighting and whether the pending sale of the Company to PPL Rhode Island Holdings, LLC would present any barriers to such investigation. In response, the Company indicated that it expanded its review and provided the PUC with a cooperation agreement<sup>9</sup> among the Company, National Grid,<sup>10</sup> and PPL<sup>11</sup> assuring cooperation by all entities on this topic. Also, in its response to PUC Post Decisional 1-1, the Company provided June 1, 2022, as the target date (subsequently extended to June 7, 2022) to provide the PUC with a final report showing the results of its review. This document represents that final report.

## **II. REVIEW OF OUT OF PERIOD INVOICES**

The Company's internal review into out-of-period invoices, which are invoices for

---

<sup>8</sup> See Motion of The Narragansett Electric Company Objecting to Record Request No. 5 dated January 21, 2022. At an Open Meeting on January 28, 2022, the Chairman granted temporary confidential treatment for the documents provided to the PUC by the Company in response Record Request No. 5.

<sup>9</sup> See the Company's Supplemental Response to PUC Post-Decisional 1-2: [http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-Suppl.%20Response%20to%20PUC%20Post-Decision%201-2%20\(PUC%202-24-22\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-Suppl.%20Response%20to%20PUC%20Post-Decision%201-2%20(PUC%202-24-22).pdf).

<sup>10</sup> National Grid USA and National Grid USA Service Company, Inc.

<sup>11</sup> PPL Corporation, PPL Energy Holdings, LLC, and PPL Rhode Island Holdings, LLC.

payment of energy efficiency programs reflected in an incorrect program year, consisted of two phases. Phase 1 was a thorough examination of invoices within Residential Upstream Lighting as described in Section III herein. Phase 2 was performed to expand outside of Residential Upstream Lighting. Phase 2 consisted of email review of program managers responsible for the energy efficiency programs, interviews, and analysis of program filings to determine the extent to which similar conduct or practices, if any, occurred within other Rhode Island energy efficiency programs. Phase 2 is summarized in Section IV herein.

### **III. PHASE 1 – RESIDENTIAL UPSTREAM LIGHTING**

As explained in the Company’s response to PUC 5-4, the Company engaged outside professionals to undertake a comprehensive review of out-of-period invoices within Residential Upstream Lighting. Forensic procedures were used to gain an understanding of Residential Upstream Lighting and a voluminous amount of data was obtained and analyzed.

The data obtained and analyzed consisted of InDemand incentive payments (rebates) for Residential Upstream Lighting. This data showed 90 manufacturers who received incentive payments during the time period of March 1, 2012 to June 30, 2021, totaling \$61,954,622. The top nine manufacturers were identified (based on incentives paid to these manufacturers), which account for approximately 72 percent of the total incentives paid. For each of the top nine manufacturers, the Company identified the first three months of incentive payments by year and selected the highest two months for further analysis. Additionally, for the 2017 and 2018 periods, 100 percent of incentive payments were selected. This resulted in a selection of \$24,091,230 in incentives paid within the time period of March 1, 2012 to June 30, 2021. In addition, supporting documentation was requested for the selected transactions,<sup>12</sup> such as the

---

<sup>12</sup> Invoices for these selected transactions were only available back to program year 2016.

manufacturer/retailer invoice submitted to the third-party provider hired to analyze the supporting documentation prior to providing to the Company.

After gathering the data and using the parameters as explained above, the Company compared the sales period per the invoice support provided to the period of the incentive payment. For determining the impact to customers, a key assumption in this analysis is that the year the incentive payment is made is the year that the payment is submitted as part of the Company's performance (or shareholder) incentive calculation. If the sales period per the invoice matched the incentive payment period, this instance would be considered an "in-period" incentive payment. If the sales period per the invoice did not match the incentive payment period, this instance would be considered an "out of period" incentive payment. For example, if an incentive payment was paid on January 21, 2016, and the invoice that supports the incentive payment indicated a sales period of November 1 to November 30, 2015, this was considered an out of period incentive payment. Approximately 36 percent, or \$7,603,684, of the sample for the period of 2016 -2021 was reflected in an incorrect program year.

For purposes of measuring the impact to customers, the Company recalculated its performance incentive after taking all the out-of-period invoices that it found had been accounted for in the wrong calendar year and placing them back into the appropriate calendar year. This led to a net downward adjustment in earned performance incentive of \$124,135, which was disclosed through the Company's response to PUC 5-4 and credited to the energy efficiency fund on or around February 1, 2022. Please note that this amount represents the impact to customers based on results of Phase 1. Phase 2 expanded upon Phase 1 and the impact to customers described in Section V herein is inclusive of that \$124,135.



#### IV. PHASE 2 – ALL PROGRAMS

As a result of Phase 1, the Company learned that out-of-period invoices were more prevalent than anticipated within Residential Upstream Lighting warranting a Phase 2 review. During Phase 2, the Company continued to use outside professionals to conduct the review and identified additional instances of out-of-period invoices. Similar to Residential Upstream Lighting, the occurrence of out-of-period invoices was, in part, likely a function of timing, while others occurred because of delaying the receipt of invoices in Rhode Island energy efficiency programs during the period from 2012-2020. The review found 48 instances (inclusive of the instances found in Phase 1) where the Company concluded that invoices were out-of-period. These instances occurred in various programs across 2012-2020. Please see Exhibit A for a list of each instance.

Phase 2 methodology included an extensive review of emails, interviews of program managers and customer energy management (“CEM”) team members, analysis of regulatory filings and filed annual program results, and application of transaction-tested “out-of-period percentages” developed during Phase 1. The Company assessed the impact to customers by using an intricate performance incentive model to recalculate the Company’s performance incentives for 2012-2020.<sup>13</sup> Please see Section V for the impact on customers.

The email review examined a collection set of approximately 500,000 emails. In consultation and coordination with a forensic consultant, the Company used search terms and key words specific to Rhode Island energy efficiency as well as terms designed to identify

---

<sup>13</sup> The Company filed the 2021 Energy Efficiency Year-End Report in Docket No. 5189 on June 1, 2022. See [http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-Year-End%20Report%202021%20\(PUC%206-1-22\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/5076-NGrid-Year-End%20Report%202021%20(PUC%206-1-22).pdf). The Company will seek to confirm that no invoices from 2021 that should have been recognized in 2020 were included in the final budget and savings results for 2021.

potential misconduct or fraud. The search was designed and conducted to locate email that related to any improper or inappropriate activity including out-of-period invoicing. The search developed a responsive set of email that showed program managers – across sectors, programs, measures, and years – openly discussing holding off on the receipt and payment of invoices at the end of program years. Further analysis of the data set was performed to determine any patterns or concentrations of holding off invoices (i.e., were they limited to residential programs, programs in the electric sector, certain years, or certain program managers, etc.). No such limiting patterns could be identified other than the fact that more responsive emails were found in the latter years of the review period than earlier, but it could not be ruled out that this concentration was related to the greater availability of more recent email than email from five to ten years ago. The responsive emails were then analyzed by identifying the involved program managers to determine which program managers represented the greatest volume of responsive email across the broadest groups of sectors, programs, and measures. The program manager sets were then evaluated for purposes of interviews to obtain the broadest view of the pervasiveness of delaying invoices in the Rhode Island energy efficiency programs.

Interviews of program managers were conducted. During those interviews, program managers were forthright in discussing out-of-period invoicing practices. Program managers were aware that once savings reached the caps in a given program year, they no longer served to increase performance incentives. The program managers also emphasized, without prompting, that it had been made clear that delaying invoices is unacceptable and prohibited and that they would not engage in delaying invoices going forward.

The next step of the review turned to developing a deeper understanding of how the calculations actually translated into and affected performance incentives earned by the Company.

Interviews of analysts in CEM provided insight and understanding into the way in which the performance incentive mechanism worked at that time in the Rhode Island energy efficiency programs. The Company explored the interaction of budget targets, savings targets, thresholds and caps for savings, and the yield curve of performance incentive up to 100 percent of budget as opposed to the flatter curve above 100 percent of budget. This examination bore out the statement made in an interview that savings targets and budget performance were not a direct predictor of performance incentive.

Further evaluation of the tables in the actual regulatory filings allowed the identification of levers in each program that linked budget dollars/units of savings to realized performance incentive dollars. This model made it possible to apply the as-tested out-of-period percentages to any individual program in any given year and to recalculate the performance incentive that would have been realized had invoices been recognized in the proper year.

Where a program was identified as having delayed invoices in a given year, the applicable out-of-period percentage was taken from the following year and returned to the appropriate program year. This intricate model made it possible to recalculate performance incentives for the entire review period once specific programs and specific program years were identified. The model follows the methodology used in the recalculation of the effect on performance incentive of the original Residential Upstream Lighting review (Phase 1), and expands the interrelationships of the programs, and their individual budget and savings results, to allow for calculation based upon delaying invoices in any program in any sector, electric or gas.

Through additional detailed examination of email, the review identified 29 email exchanges where it was concluded that the email explicitly demonstrated that delaying invoices was implemented. This implicated 48 instances (inclusive of the instances found in Phase 1)

across a number of programs across the review period where it was concluded that invoices were delayed.

## **V. IMPACT ON CUSTOMERS**

The Company assessed the impact on customers through a recalculation of the performance incentives earned by the Company for the period 2012 through 2020. The Company found the impact to be a net downward adjustment of \$1,400,423.00 (inclusive of the \$124,135 that was credited to the energy efficiency fund on or around February 1, 2022).

A performance incentive model was used to apply the as-tested out-of-period percentages to the programs identified in Exhibit A<sup>14</sup> to calculate the effect upon performance incentives for the entire test period. A number of different calculations were performed against the reported performance of the programs established to have out-of-period invoices and programs suspected of having out-of-period invoices. Where the results were too speculative and tended to skew in favor of the Company, the results were deemed unreliable. The calculations made use of the transaction-tested out-of-period percentages developed in Phase 1:

- For the programs that fell within the years (2016-2020) where actual yearly out-of-period percentages were calculated in Phase 1, the actual as-calculated percentage for that year was applied (ranging from 13 percent in 2017 to 23.94 percent in 2018). For the programs that fell within years where the initial analysis did not have actual as-calculated percentages for that year, the average of the calculated out-of-period percentages (16.58 percent) was applied (the “actuals-average” method).
- The calculations were also run with the straight average (16.58 percent) of the transaction tested out-of-period percentages (the “straight average” method) applied to all instances.

---

<sup>14</sup> Exhibit A also includes a pro-rata allocation to each sector which was calculated on that program’s actual implementation expense and then grouped by sector.

- The calculations were also run with the combination of actual as-calculated percentages for the original review years, and a maximum calculated out-of-period percentage (23.94 percent from 2018) for all other years (the “actuals - highest percentage” method).

The calculation method also mirrored the method used to calculate the values in Phase 1 – for each program that was deemed to have out-of-period invoices, the applicable percentage was applied and that amount of spend/savings was taken from the following year and returned to the previous year. Once each program had the applicable percentage applied and returned to the previous year, the performance incentive model was run to recalculate the performance incentives that should have been earned had the spend/savings been counted in the correct year.

The Company concluded that the most reliable indicator of the increased performance incentive received by the Company in the Rhode Island energy efficiency program over the review period of 2012 through 2020 was the application of the “actuals-average” method, as this used the actual calculated percentages in the applicable years and minimized the effect of over counting or undercounting out-of-period invoices in the years where actual percentages were not available. When the performance incentive model was run using the “actuals-average” method, the effect upon performance incentive was calculated at a net downward adjustment of \$1,400,423.00.

The performance incentive model was also run using the “straight average” method resulting in a net downward adjustment of performance incentive of \$1,569,887.00 and the “actuals – highest percentage” method resulting in a net downward adjustment of performance incentive of \$2,194,339.00. The Company, however, concluded that the “straight average” method was imprecise because it overstated the out-of-period percentages in three of the years where actual transaction-tested percentages (2016, 2017, and 2020) was conducted and

understated the out-of-period percentages in two of the years where actual transaction-tested percentages (2018 and 2019) was conducted. Because the performance incentive calculations include caps on savings and declining yield curves on performance against budget, inaccurate calculations can be obtained if programs were credited with more spending and savings than they had achieved, causing some programs to appear to do better, and pushing programs already close to their “caps” over those limits. The “highest percentage” method was also determined to be imprecise because it was concluded that it was unlikely that all programs in the untested years were consistently delaying recognition of 23.94 percent of their budget, especially given the programs’ ability to set budgets on a yearly basis. As demonstrated by the transaction tested calculations, the “highest percentage” was an anomaly in the transaction testing. Accordingly, the Company concluded that the most reliable method was the “actuals-average” method.

The Company also examined emails in which the holding of invoices was discussed, but the particular program could not be identified. The Company attempted to include additional programs in the calculations; however, the inability to determine what program, if any, was subjected to delaying invoices, and the inability to confirm in a number of instances whether delaying invoices was implemented, rather than simply discussed, injected a significant amount of inaccuracy and lack of certainty into the calculations. Furthermore, the recalculation of the performance incentive using a scenario with additional programs skewed in favor of the Company rather than customers (i.e., resulted in a smaller downward adjustment of the performance incentive). In light of the inaccuracies and uncertainty created by the inability to identify specific programs, and the fact that the calculations skewed in favor of the Company by lowering the resulting value, the Company determined that these calculations were not accurate.

## VI. CONTROLS GOING FORWARD

The following include, but are not limited to, corrective and remedial measures that the Company has taken or is taking as a result of the Phase 1 and Phase 2 reviews:

- Implement an enhanced formal accrual process to capture incentive payments in the year that the sales period occurred. This will assist in capturing the incentive payments in the correct program period.

**Status:** The Company conducted training in March 2021 on the existing accrual process with refreshers in July 2021 and November 2021. The Company also added an ongoing training requirement for new hires and implemented a manager sign-off for calendar year 2021 and future year-end close out periods.

- Capture the sales period for the manufacturer's sales activity that is being submitted via the third-party program administrator's invoice in the Company's InDemand system. Including this data point can provide a mechanism to trace transactions, specifically those that have a higher likelihood of being classified incorrectly (between January and April for a given calendar year), to the shareholder incentive calculation to obtain comfort that it is being recorded in the appropriate period.

**Status:** The Company is able to review the sales period when approving sales activity in the InDemand system respective to the calendar year.

- Establish formal policies and procedures related to the energy efficiency programs to ensure (i) quality review of supporting documentation submitted to the program administrator by the manufacturer and (ii) guidelines for each respective party (i.e., sponsor, program administrator, manufacturer, and retailer) and their responsibilities to ensure that the sales are validated prior to the release of an incentive payment.

**Status:** The Company requires signatures on all Memorandums of Understanding ("MOUs") from participating retailers and manufacturers. Retailer caps, with a budget and a unit allocation, were developed and incorporated into individual MOUs. If retailer sales/caps are exceeded, internal delegation of authority ("DOA") level approval is required. DOA levels for invoice payment signoff were implemented and additional quality control ("QC") for any invoiced quantities above allocated retailer level budgets. A payment processing checklist was developed and deployed, as well as a standard operating procedure ("SOP") for processing payments. Please see Exhibit B for an example MOU (Pages 13-14 of the MOU demonstrate controls required) and see Exhibits C1, C2, and C3 for checklists which serve as additional quality control implemented for any invoice submissions.

- Conduct a quarterly or annual training for energy efficiency program managers to reiterate the importance of the key controls, roles and responsibilities of each respective party, and lessons learned from past experiences where issues arise.

**Status:** A compliance training was deployed for all jurisdictions in July and August 2021, including obligations of accurate savings and financial reporting, obligation of proper accruals and doing the right thing, fraud prevention, and proper management of records. As part of the onboarding process, all program staff will also be required to take this training.

- Implement a monitoring process to ensure that the required supporting documentation outlined in the MOUs is being received and reviewed by a third-party.

**Status:** This is being done by the field implementor and provided to the Company for approval.

- Include specific requirements in the MOU for the manufacturer to receive an incentive payment. Such requirements may include supporting documentation to be submitted by the manufacturer to the program administrator and that supporting documentation will not be accepted after a given period from the sales period.

**Status:** The MOUs have been updated to include the requirements around supporting documentation for a given period of time and respective submission. Please see Page 4 of the example MOU attached as Exhibit B.

- Document standard processes for retailer field visits, procedures performed, and observations to formalize the analysis and findings of site visits. This could be documented in the form of a memorandum or a template that details the procedures to be performed and the observations.

**Status:** Quality assurance (“QA”)/QC checklists have been developed and implemented.

- Formalize key controls for the Residential Upstream Lighting Energy Efficiency program and developing a plan to audit those controls and processes on a routine basis.

**Status:** A payment processing checklist was developed and deployed by program, as well as an SOP for processing payments and audits to review MOU portal to ensure MOUs are executed. Please see Exhibits C1, C2, and C3.



## VII. CONCLUSION

In conclusion, the Company found 48 instances (inclusive of the instances found in Phase 1) of delayed invoice payments resulting in a proposed net downward adjustment of the Company's performance incentives for program years 2012 through 2020 of \$1,400,423.00. Subject to any modifications or directives that may be issued by the PUC, the Company will credit \$1,276,288.00<sup>15</sup> to the energy efficiency fund by July 1, 2022, in the same manner that it credited the \$124,135 that was identified in the Company's response to PUC 5-4. Given the complexities of the Company's review and calculations, the Company welcomes an opportunity to present its findings to, and answer questions from, the Division of Public Utilities and Carriers ("Division") and other parties in this docket through a workshop or technical session.

---

<sup>15</sup> Reflects the reduction of \$124,135 that was already credited on or around February 1, 2022.

Rhode Island Energy Efficiency Investigation - Allocations

Seq	Year	Utility	Sector	Program	Actual Implementation Expenses (\$000)	Actual Implementation Expenses, %
1	2012	Electric	Non-Low Income Residential	Residential New Construction	\$1,259	0.70%
2	2013	Electric	Commercial & Industrial	Large Commercial New Construction	\$8,626	4.78%
3	2013	Electric	Commercial & Industrial	Large Commercial Retrofit	\$7,854	4.35%
4	2013	Gas	Non-Low Income Residential	Energy Star® HVAC	\$2,919	1.62%
5	2013	Gas	Non-Low Income Residential	EnergyWise	\$4,530	2.51%
6	2015	Electric	Low Income Residential	Single Family - Income Eligible Services	\$7,068	3.91%
7	2015	Electric	Low Income Residential	Income Eligible Multifamily	\$2,320	1.28%
8	2015	Gas	Commercial & Industrial	Large Commercial New Construction	\$1,844	1.02%
9	2015	Gas	Commercial & Industrial	Large Commercial Retrofit	\$3,227	1.79%
10	2016	Electric	Commercial & Industrial	Large Commercial New Construction	\$5,417	3.00%
11	2016	Electric	Commercial & Industrial	Large Commercial Retrofit	\$19,719	10.92%
12	2016	Electric	Commercial & Industrial	Small Business Direct Install	\$6,994	3.87%
13	2016	Electric	Low Income Residential	Income Eligible Multifamily	\$2,067	1.14%
14	2016	Electric	Non-Low Income Residential	Energy Star® HVAC	\$1,170	0.65%
15	2016	Electric	Non-Low Income Residential	EnergyWise	\$8,906	4.93%
16	2016	Electric	Non-Low Income Residential	ENERGY STAR® Lighting	\$7,706	4.27%
17	2016	Electric	Non-Low Income Residential	Residential Consumer Products	\$1,706	0.94%
18	2016	Gas	Commercial & Industrial	Large Commercial New Construction	\$1,664	0.92%
19	2016	Gas	Commercial & Industrial	Large Commercial Retrofit	\$3,740	2.07%
20	2016	Gas	Commercial & Industrial	Small Business Direct Install	\$134	0.07%
21	2016	Gas	Commercial & Industrial	Commercial & Industrial Multifamily	\$580	0.32%
22	2016	Gas	Non-Low Income Residential	Energy Star® HVAC	\$1,253	0.69%
23	2016	Gas	Non-Low Income Residential	Residential New Construction	\$847	0.47%
24	2017	Electric	Low Income Residential	Single Family - Income Eligible Services	\$8,211	4.55%
25	2017	Electric	Non-Low Income Residential	Residential New Construction	\$1,142	0.63%
26	2017	Electric	Non-Low Income Residential	Energy Star® HVAC	\$1,587	0.88%
27	2017	Electric	Non-Low Income Residential	EnergyWise Multifamily	\$2,039	1.13%
28	2017	Electric	Non-Low Income Residential	ENERGY STAR® Lighting	\$8,966	4.96%
29	2017	Electric	Non-Low Income Residential	Residential Consumer Products	\$2,307	1.28%
30	2017	Gas	Commercial & Industrial	Large Commercial New Construction	\$2,082	1.15%
31	2017	Gas	Commercial & Industrial	Large Commercial Retrofit	\$4,608	2.55%
32	2017	Gas	Commercial & Industrial	Commercial & Industrial Multifamily	\$795	0.44%
33	2017	Gas	Low Income Residential	Single Family - Income Eligible Services	\$3,925	2.17%
34	2017	Gas	Non-Low Income Residential	Energy Star® HVAC	\$1,584	0.88%
35	2017	Gas	Non-Low Income Residential	EnergyWise Multifamily	\$1,145	0.63%
36	2017	Gas	Non-Low Income Residential	Residential New Construction	\$920	0.51%
37	2018	Electric	Commercial & Industrial	Small Business Direct Install	\$5,982	3.31%
38	2018	Electric	Non-Low Income Residential	ENERGY STAR® Lighting	\$10,705	5.93%
39	2018	Electric	Non-Low Income Residential	Residential New Construction	\$767	0.42%
40	2018	Gas	Commercial & Industrial	Small Business Direct Install	\$143	0.08%
41	2018	Gas	Commercial & Industrial	Commercial & Industrial Multifamily	\$815	0.45%
42	2018	Gas	Low Income Residential	Single Family - Income Eligible Services	\$4,225	2.34%
43	2018	Gas	Low Income Residential	Income Eligible Multifamily	\$2,420	1.34%
44	2018	Gas	Non-Low Income Residential	Residential New Construction	\$640	0.35%
45	2020	Electric	Commercial & Industrial	Small Business Direct Install	\$7,508	4.16%
46	2020	Electric	Non-Low Income Residential	Residential New Construction	\$950	0.53%
47	2020	Electric	Non-Low Income Residential	Energy Star® HVAC	\$3,364	1.86%
48	2020	Electric	Non-Low Income Residential	Residential Consumer Products	\$2,241	1.24%
					<b>\$180,623</b>	<b>100.00%</b>
Electric Commercial & Industrial					\$62,101	34.38%
Electric Non-Low Income Residential					\$54,816	30.35%
Electric Low Income Residential					\$19,666	10.89%
Gas Commercial & Industrial					\$19,632	10.87%
Gas Non-Low Income Residential					\$13,838	7.66%
Gas Low Income Residential					\$10,570	5.85%
					<b>\$180,623</b>	<b>100.00%</b>

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 1 of 16	MOU Effective Date: 1/1/2021



**National Grid RI ENERGY STAR® Lighting Initiative  
Negotiated Cooperative Promotion**



**Memorandum of Understanding for MARKDOWN Promotion**

**MAXLITE / HARDWARE AND APPLIANCE**

**MOU # 2021-338**

State: RI

**Markdown Program Period:**

**Markdown Start Date(s):**

**Markdown Program End Date(s)\*:**

**1/1/2021**

**12/31/2021**

The collective group of independent retailers “Hardware and Appliance” (herein referred to as “Retailer”) and Maxlite (herein referred to as “Manufacturer”) and National Grid (hereafter referred to as the “Sponsor”) of the National Grid RI ENERGY STAR® Lighting Initiative agree to jointly participate in a *Markdown* program to promote the sale of the Manufacturer’s ENERGY STAR certified lighting products and Program certified Advanced Power Strips (“Products”) through the Retailer’s retail location(s) (“Promotion” or “Program”). The specific details of the Products and Promotion as agreed to by the Sponsor, Manufacturer, and Retailer are provided in Attachments A through E. The Manufacturer and Retailer agree to abide by the terms described in this Memorandum of Understanding (“MOU”) including all attachments and any subsequent amendments that may be issued, commencing on January 1, 2021 (“Effective Date”).

\* All Sponsor funding allocation amounts included in this MOU represent total allocations for products sold within the specified time periods between January 1, 2021 through December 31, 2021 (the “Promotion Period”); provided that certain Products are being removed from the Program during the term of this MOU, as set forth below. Sponsor will no longer pay incentives for such Products sold after the applicable effective date of removal (“Product Sale End Date”).

- Product Sale End Date for LED Bulbs (A-line and 3-Way), Specialty LEDs, LED Fixtures and Linear LEDs is September 30, 2021;
- Product Sale End Date for Advanced Power Strips is December 31, 2021.

Invoicing for any products sold by the applicable Product Sale End Date MUST be submitted within 30 days of the markdown program end date. MANUFACTURER AND RETAILER ACKNOWLEDGE AND AGREE THAT SPONSOR WILL HAVE NO INCENTIVE PAYMENT OBLIGATIONS FOR ANY PRODUCT SOLD AFTER THE APPLICABLE PRODUCT SALE END DATE.

**Attachment A: Negotiated Promotion Detail Worksheet.** Sets forth Product information including Model #, Measure, Watts, Lumens, Description, Rated Life (in hours), # of Bulbs or Fixtures per Pack, Regular Retail Price \$, Manufacturer Provided Discount/pkg, Manufacturer Incentive request of Sponsor/pkg, and Target Retail Price/pkg.

**Attachment B: Negotiated Marketing Plan.** Sets forth the marketing scope and schedule, and the total cost of marketing, the Sponsor’s contribution towards marketing costs, required documentation for validation, and any other details related to the Marketing Plan.

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 2 of 16	MOU Effective Date: 1/1/2021

**Attachment C: Participating Stores List.** Sets forth Retailer location(s) participating in the Sponsor’s service territory.

**Attachment D: Invoicing, Shipping and Sales Data.** Sets forth the requirements for submittal of supporting documentation to accompany the Invoice Submittal Form and provides a sample of an acceptable invoice and supporting documentation format. All claims submitted must include required documentation in approved formats in order for payment to be issued against this MOU.

**Attachment E: Invoice Submittal Form.** A completed form that is executed by both Manufacturer and Retailer must accompany each invoice package submittal for incentive payments under this MOU, together with the required documentation, including a Retailer Inventory and Sales Form signed by Retailer.

**Retailer and/or Manufacturer Requirements:**

**Retailer and/or Manufacturer must comply with all requirements set forth below in order to receive payment of incentives from the participating Sponsor.**

“Incentive Processor” and “Field Implementer” shall be as set forth in Section VIII below.

**I. ENERGY STAR Compliance**

- a) All lighting Products must comply with the ENERGY STAR specifications in effect and be listed on the ENERGY STAR website on the date of sale. If lighting Products are delisted during the Promotion, (i) such Products shall be removed from the Promotion in compliance with the delisting protocol from ENERGY STAR, and (ii) the Field Implementer, upon receipt of Sponsor’s approval, shall issue an amendment to this MOU removing the Product(s). Promptly following such amendment, the Field Implementer will provide an updated copy of this MOU to each party hereto.
- b) All lighting Products must be labeled with the ENERGY STAR mark.
- c) All Advanced Power Strips must comply with Program specifications detailed below. Any products that the Manufacturer wishes to add to the Promotion must comply with Program specifications and be cleared by the Main Contact prior to receiving incentives.
  - Be UL or ETL listed
  - Have at least a one year warranty
  - Carry an equipment protection guarantee of at least \$1,000
  - Consume less than one watt of stand-alone power
  - Allow for at least three peripheral devices to be connected
  - Be rated for 120 V and 15 amp service
  - Have a resettable circuit breaker
  - Have a control outlet and advanced sensing circuitry; will automatically shut off standby power to peripherals when the main component is turned off
  - Have an adjustable switching threshold
  - Tier 2 products must include an active power management feature such as an infrared (IR) or other sensor

**II. Marketing and Point of Purchase.**

All marketing plan details and obligations are set forth on Attachment B.

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 3 of 16	MOU Effective Date: 1/1/2021

### III. Product Change Requests

- a) On a limited basis, Manufacturer may request different or additional Products to be authorized for incentives. Such requests must be submitted to the Field Implementer and approved in advance, in writing, by the Sponsor. Manufacturer's request for authorization of additional Products eligible for incentives may be rejected by Sponsor, at their sole discretion.
- b) No claims for incentives submitted to the Incentive Processor will be approved for Products not listed on the MOU or any subsequent amendments adding new Products.
- c) Manufacturer will provide a written notice and description of any requested variation of Products authorized under Product Guidelines terms for which approval from Sponsor is being requested. All notices and inquiries should be sent via email to the Field Implementer with a minimum of ten (10) business days advance notice. If changes to this MOU are agreed to in writing by the Sponsor, the Manufacturer and the Retailer, the Field Implementer will notify the Incentive Processor.
- d) Requests for approval of additional Products to be authorized for incentive are limited to two per month and must comply with Product Guideline requirements.

### IV. Program Requirements and Incentive Documentation

- a) Products approved and outlined in Attachment A are intended for retail sale only and are not intended for non-retail distribution. Bulk purchases that exceed the following per-customer limits are not allowed and will not be honored: Retailer agrees to limit consumer purchases of authorized Products to 20 single-bulb packages, 4 multi-bulb packages, 6 fixtures and 6 Advanced Power Strips per residential customer transaction.
- b) Manufacturer will limit orders of Advanced Power Strips to no more than 48 total units per Retailer location during the Markdown Program Period, unless approved in writing by Field Implementer.
- c) The Sponsor has approved a maximum incentive for each Product detailed in Attachment A: *Negotiated Promotion Detail Worksheet*.
- d) Manufacturer must receive from Retailers, the following minimum contributions for each Product (by each individual bulb, fixture and/or Advanced Power Strip contained in each individual package) delivered to Retailers:
  - o for screw in bulbs, no less than \$0.10 per bulb;
  - o for fixtures (including Linear LED), no less than \$0.50 per fixture;
  - o for Advanced Power Strips, no less than \$.50 per unit.

In order to document ongoing compliance with this minimum contribution requirement, Manufacturer must include Retailer paid invoices with each claim for incentives submitted to the Incentive Processor, as further described in Attachment D.

- e) Retailer shall not charge more than the amount authorized for Products as set forth in Attachment A.
- f) Online sales of Products are prohibited.
- g) Loyalty card programs cannot be required for customer participation.
- h) Products may not be transferred from one retail location to a different retail location unless approved in advance in writing by the Field Implementer. All approved redistributions of Products by Retailer must be documented and submitted to Manufacturer for inventory record keeping.
- i) Invoices and required documentation (Attachments D – Sales Documentation and Attachment E – Invoice Submittal Form and supporting documentation) shall be provided monthly (but in no event less than quarterly) to the Incentive Processor, must be complete and accurate, and must be executed by either

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 4 of 16	MOU Effective Date: 1/1/2021

Retailer and Manufacturer, as applicable. Each submittal should contain sales for the invoiced period. **Sales data submitted that is more than a quarter old will not be guaranteed payment of Sponsor incentives and may only be paid out at the Sponsor's sole discretion.**

- j) Each Manufacturer claim for incentives submitted to the Incentive Processor **must include:**
1. **Manufacturer Summary Form**, which must be a Microsoft Excel file or other spreadsheet acceptable to the Incentive Processor in the format of the preapproved form included in Attachment D to this MOU, reflect a summary of the Retailer Point-of-Sale ("POS") data for the reporting period in question and indicate the reporting period beginning and ending dates for the sales submitted.
  2. **A standard Manufacturer invoice** with a unique invoice number and invoice date. The invoice must reference the applicable MOU number and list the number of units (packages) sold and incentive amounts requested by each Product model. Product models should match the Manufacturer model number that is listed in **Attachment A: Negotiated Promotion Detail Worksheet**; a brief description of the Product must also be included. All invoices should indicate the address to which the Manufacturer would like the payment sent.
  3. **Attachment E: Invoice Submittal Form**, completed and executed by the Manufacturer, with supporting documentation, including the **Retailer Inventory and Sales Form** signed by Retailer.
  4. **Attachment D: Supporting invoicing, shipping and sales information** that must match the format of the preapproved sample or form included in Attachment D to this MOU. **Satisfaction of the minimum contribution requirement must be evidenced by an invoice issued to Retailer and marked as paid by Manufacturer.** Point-of-Sale ("POS") reports from Retailers must clearly indicate the reporting period beginning and ending dates for the sales submitted. These dates should correspond with, or fall within, the Promotion Period start and conclusion dates as set forth above. **Shipping and POS data must identify the store(s) from which the units were sold and the locations must be identified in Attachment C.**
- k) Submittals shall be rejected by Incentive Processor, for Manufacturer's or Retailer's noncompliance with MOU requirements, including, without limitation, the following:
- o Incomplete submittals (e.g., missing signatures, sales information or shipping information)
  - o Sales reported are for Products from Retailer locations other than those specifically listed in Attachment C and approved in this MOU; or
  - o Claims are for Products not listed on the MOU or any subsequent amendments, including Products removed from the Promotion.
- l) Promotions will be evaluated and/or measured by volumes of sales achieved to determine the progress toward Sponsors' objectives. Failure to provide accurate or quality data in a timely manner will result in a "non-compliant" evaluation of the participants in the Promotion. If the Retailer and/or Manufacturer do not comply with the terms set forth in the MOU or do not deliver sufficient results in a timely manner, then the Sponsor reserves all contractual rights and remedies, including, without limitation, the right to reallocate the remaining funding on this MOU and the right to terminate the MOU specific to the noncompliant or underperforming party.
- m) The Sponsor reserves the right to terminate this MOU or the Promotion, in whole or in part, at any time and for any reason. Prior to termination, Sponsor will provide written notice (with at least ten (10) days prior written notice for termination for convenience). Sponsor agrees to pay the incentives as specified in Attachment A and any Amendments to this MOU on qualified Products sold prior to the date of termination, provided all other terms of this MOU are met and the required documentation is received by the Incentive Processor within one month after the date of termination. For the avoidance of doubt, if the Sponsor removes certain Products from the Promotion or terminate this MOU or the Promotion with

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 5 of 16	MOU Effective Date: 1/1/2021

respect to certain Products, incentives shall not be paid for sales of such Products consummated after the applicable Product Sale End Date.

- n) At any time, Sponsor or their designated representative shall, upon request, be provided access to Retailer's and Manufacturer's records and be provided with any additional information requested for review to verify the documentation submitted and that the proper charges and payments have been made in accordance with the Program requirements, the MOU for this Program or any related or prior Program the parties have participated in. Upon the completion of any such review, the recipient of any incentive payments from Sponsor based upon sales that Sponsor determine have not been substantiated with proper, accurate, and valid documentation, shall be responsible to reimburse Sponsor for such unsubstantiated payments within thirty (30) days of receipt of written request.

#### V. Payment Information

- a) Sponsor incentive funds to Manufacturer will be paid upon Incentive Processor's receipt and approval of **all required documentation**, including a completed and fully executed Schedule E and required supporting documentation as outlined in Attachment D: Invoicing, Shipping and Sales Data.
- b) An amount not to exceed the Maximum Incentive Amount set forth in Attachment A will be paid for Products sold. Amounts paid will be tracked by the Incentive Processor.
- c) Payment Schedule for Marketing or Advertising shall be as set forth in Attachment B.
- d) **Product Returns.** Sponsors' incentives paid to Manufacturer or Retailer, as applicable, on products purchased through this Promotion that are returned by customers must be credited by Manufacturer back to the Sponsor within thirty (30) days of the return. The credits must be included and itemized on the following monthly invoices and tied to the store where the product was originally purchased.

#### VI. Energy Benefits

It is understood that the participating Sponsor is entitled to 100% of the energy and capacity benefits associated with the energy efficiency products for which incentives are provided under this Program, excluding the value of the energy cost savings realized by the customer, but including all rights to all associated ISO-NE Energy Capacity and Reserves Products, and the Manufacturer and/or Retailer agree to provide the Sponsor with such further documentation as the Sponsor may request to confirm their ownership of such benefits.

#### VII. Mutual Confidentiality of Sponsor, Retailer and Manufacturer Proprietary Information

- a) Each party agrees that any information disclosed or conveyed to them by or on behalf of another party, whether in written, oral or other form, regarding incentive pricing, shipping information or volumes by retailer location, and sales volumes, hereinafter referred to as "Confidential Information," shall be kept strictly confidential, and used or disclosed only as provided in this Section VII.
- b) Confidential Information shall not include information that is, was or becomes (i) generally available to the public from a source other than the party it was disclosed or conveyed to under this MOU, or (ii) available to a party from a source other than the other parties to this MOU, provided that such source was not known by the party to be prohibited from disclosing such information by an obligation of confidentiality to another party to this MOU.
- c) Each party shall (i) use Confidential Information of another party only in connection with fulfilling its obligations under this MOU, and not for any other purpose; provided, however, that Sponsor also may use the Confidential Information for Program administration, compliance and reporting purposes, regulatory reporting, and public reporting in the aggregate or with privacy protections as determined by the Sponsor; (ii) use the same degree of care, but no less than a reasonable degree of care, as it uses to protect its own, similar confidential information, to protect the Confidential Information of another party, and (iii) upon the request of another party, promptly return or destroy such party's Confidential Information and all copies

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 6 of 16	MOU Effective Date: 1/1/2021

there, and if requested, certify to the destruction of such Confidential Information and copies thereof, provided that each party may retain electronic copies of Confidential Information stored in connection with its customary automated backup or archival procedures, or as required by Sponsor for Program reporting and record keeping, so long as such Confidential Information remains subject to provisions of this Section VII.

- d) Without the prior written consent of the other party, each party shall disclose the Confidential Information of another party only to (i) its officers, directors, employees, agents, contractors and advisors with a need to know such information and who have been directed to abide by the confidentiality obligations set forth in this Section VII, or (ii) the extent required by applicable law or the order or request of a government authority or other party in any court or regulatory proceeding, provided that to the extent permitted by law, the other party is given notice of such requirement prior to disclosure so that it may attempt to contest or limit the disclosure or obtain confidential treatment thereof. If, absent the entry of a protective order or receipt of a waiver, the receiving party is, in the opinion of its counsel, legally compelled to disclose such Confidential Information, the receiving party may disclose such Confidential Information to the persons and to the extent required without liability under this Agreement.
- e) Each party shall retain ownership of all Confidential Information and intellectual property referred to in this Agreement. Sponsor shall own exclusively all rights in ideas, strategies, plans, and data (other than Manufacturer and Retailer Confidential Information related to Products) related to the Program, including all proprietary information and other intellectual property rights. Except as set forth in this Agreement, nothing in this Agreement shall be deemed to grant a license directly or by implication, estoppel, or otherwise, although the parties may provide for such a license in an express written agreement.
- f) Each party agrees that it will be responsible for any breach of the provisions of this Section VII by its Representatives.

**VIII. Contact Information**

FIELD IMPLEMENTER	INCENTIVE PROCESSOR (For Incentive Payment Submission)
[REDACTED]	[REDACTED]
MANUFACTURER / RETAILER CONTACT FOR PROMOTION	
[REDACTED]	

**IX. FUNDING**

- a) The Sponsor agrees to allocate funds based on their program goals and the funding available in their energy efficiency plans filed with the regulators, as described in Attachment A. **Manufacturer and Retailer must carefully monitor and stay within the allocation and pricing limits set by the Sponsor (as set forth on Attachment A), including the individual Retailer location allocations (as set forth on Attachment C). Sponsor shall not pay incentives beyond applicable allocation limits.** The Sponsor agrees to pay incentives to Manufacturer for Program and MOU compliant and valid submissions by



Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 7 of 16	MOU Effective Date: 1/1/2021

Manufacturer with accurate documentation from Retailer for Products sold by Retailer from locations within their Rhode Island service territory.

- b) The total submissions by Manufacturer from each Sponsor’s territory cannot exceed the individual Sponsor allocations as indicated on the “Total Funding” column in the table set forth on Attachment A, and the individual Retailer location allocations set forth on Attachment C, unless agreed to in advance in writing through amendments to this document.
- c) Each Sponsor has its own funding budgets. The funding amounts indicated on Attachment A are not transferable between Sponsors or Retailer locations. Submittals for claims from each Sponsor’s service territory must be tracked separately against the funding amount provided by each individual Sponsor and each individual Retailer location.
- d) Any submissions for payment that exceed the allocation limit for the applicable Sponsor or individual Retailer location are not guaranteed payment of Sponsor incentives.
- e) Sponsor reserves the right to adjust or withdraw funding or terminate this MOU in the event of noncompliance by Manufacturer or Retailer with the terms of this MOU, the Program or other factors, in Sponsors’ sole discretion, upon prior written notice.

**X. MISCELLEANOUS**

- a) Notwithstanding anything to the contrary in this MOU, no party shall make any claims, representations, or warranties on behalf of another party.
- b) The relationship between the parties will be of independent contractors. Nothing contained herein will be construed to imply a joint venture, principal, or agent relationship, partnership, or other joint relationship. In carrying out its obligations under this MOU, each party agrees to comply with the MOU, Program requirements and applicable requirements of all laws, statutes, acts, ordinances, regulations, codes and standards of federal, state, and local governments, and all agencies thereof.
- c) This MOU shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, without regard to conflict of law principles.
- d) Retailer and Manufacturer may not assign this MOU or any of their respective obligations thereunder without Sponsors’ prior written consent.
- e) This MOU and its Attachments constitute the entire agreement between the parties with respect to the subject matter of this Agreement and supersede all prior agreements, negotiations, discussions and understandings, whether written or oral. No modifications or amendments to this MOU will be binding upon another party unless such modifications or amendments are expressly set forth in a written instrument executed by the parties, provided that, Sponsor may issue an amendment to this MOU for purposes of delisting Products from the Promotion pursuant to Section 1(a) unilaterally, by the Field Implementer on behalf of the parties hereto.

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 8 of 16	MOU Effective Date: 1/1/2021

**Memorandum of Understanding for MARKDOWN promotion**

**MAXLITE / HARDWARE AND APPLIANCE MOU # 2021-338**

**State: RI**

<b>Markdown Start Date(s):</b> 1/1/2021	<b>Markdown Program End Date(s):</b> 12/31/2021
--	--


Incentive to be paid to: Manufacturer  Retailer

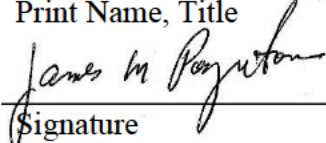
Make Checks payable to:	MAXLITE, LLC 12 YORK AVE WEST CALDWELL, NJ 07006 ATTN: ACCOUNTS RECEIVABLE
-------------------------	---

*By signing below, the parties acknowledge that they have read and understand the requirements for participating in this joint buydown promotion and agree to abide by these requirements to the best of their ability.*

**Retailer:**

**Manufacturer:**

marc gillson  
\_\_\_\_\_  
Print Name, Title (Date)  
  
marc.gillson (Apr 10, 2021 06:11 EDT)  
\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Address  
( )  
\_\_\_\_\_  
Phone  
( )  
\_\_\_\_\_  
Fax  
\_\_\_\_\_  
Email Address

James M Poynton, Director 3/15/2021  
\_\_\_\_\_  
Print Name, Title (Date)  
  
\_\_\_\_\_  
Signature  
12 York Av W Caldwell NJ 07006  
\_\_\_\_\_  
Address  
( ) 708-921-9665  
\_\_\_\_\_  
Phone  
( )  
\_\_\_\_\_  
Fax  
\_\_\_\_\_  
Email Address

\_\_\_\_\_  
(Date)  
Narragansett Electric  
d/b/a National Grid Rhode Island (NGRID RI)

**Attachment A: Negotiated Promotion Detail Worksheet and Program Funding**

Manufacturer: Maxlite

Retailer: Hardware and Appliance

Model #	Measure	Watts	Lumens	Description	Rated Life (in hours)	# of Bulbs or Fixtures per Pack	Regular Retail Price	Manufacturer Provided Discount/kg	Net Wholesale Price/kg	Manufacturer Incentive Request of Sponsor(s)/pkg	Target Retail Price/kg
14A19/3W27/2P/W5	LED Bulb	14	1500	14W 2700K 1500L 3-WAY 2PK Wing Stack	25000	2	\$17.99	\$11.00	\$6.99	\$5.00	\$1.99
14A19/3W50/2P/W5	LED Bulb	14	1500	14W 5000K 1500L 3-WAY 2PK Wing Stack	25000	2	\$17.99	\$11.00	\$6.99	\$5.00	\$1.99
APS-8/1350J	Advanced Power Strip	N/A	N/A	Tier 1 Advanced Power Strip, 8 Outlet, 1350J	N/A	1	\$24.99	\$8.00	\$16.99	\$15.00	\$1.99
DTD9A19ND27	LED Bulb	9	800	9W A19 DUSK TO DAWN NON-DIM 2700K	25000	1	\$12.99	\$10.25	\$2.74	\$1.75	\$0.99
E10A19D50/4P/W5S1	LED Bulb	10	1100	10W 1100L 2700K A19 DIM 4PK Wing Stack	25000	4	\$19.99	\$11.00	\$8.99	\$7.00	\$1.99
E10A19D27/4P/W5S1	LED Bulb	10	1100	10W 1100L 2700K A19 DIM 4PK Wing Stack	25000	4	\$19.99	\$11.00	\$8.99	\$7.00	\$1.99
E15A19D50/4P/W5S1	LED Bulb	15	1600	15W 1600L 2700K A19 DLED 4PK Wing Stack	25000	4	\$19.99	\$9.00	\$10.99	\$9.00	\$1.99
E15A19D27/4P/W5S1	LED Bulb	15	1600	15W 1600L 2700K A19 DLED 4PK Wing Stack	25000	4	\$19.99	\$9.00	\$10.99	\$9.00	\$1.99
E15A19D50/4P/W5S1S	LED Bulb	15	1600	15W 1600L 5000K A19 DLED 4PK Wing Stack	25000	4	\$19.99	\$9.00	\$10.99	\$9.00	\$1.99
E15A19D27/4P/W5S1S	LED Bulb	15	1600	15W 1600L 5000K A19 DLED 4PK Wing Stack	25000	4	\$19.99	\$9.00	\$10.99	\$9.00	\$1.99
E5.5A19D50/4P/W5S	LED Bulb	6	450	5.5W 450L 2700K A19 DLED 4PK WING STACK	25000	4	\$14.99	\$7.00	\$7.99	\$6.00	\$1.99
E5.5A19D27/4P/W5S	LED Bulb	6	450	5.5W 450L 2700K A19 DLED 4PK WING STACK	25000	4	\$14.99	\$7.00	\$7.99	\$6.00	\$1.99
E9A19D50/4P/W5S1	LED Bulb	9	800	9W 800L 2700K A19 DLED 4PK Wing Stack	25000	4	\$14.99	\$7.00	\$7.99	\$6.00	\$1.99
E9A19D27/4P/W5S1	LED Bulb	9	800	9W 800L 2700K A19 DLED 4PK Wing Stack	25000	4	\$14.99	\$7.00	\$7.99	\$6.00	\$1.99
E9A19D50/4P/W5S1T	LED Bulb	9	800	9W 800L 5000K A19 DLED 4PK Wing Stack	25000	4	\$14.99	\$7.00	\$7.99	\$6.00	\$1.99
E9A19D27/4P/W5S1T	LED Bulb	9	800	9W 800L 5000K A19 DLED 4PK Wing Stack	25000	4	\$14.99	\$7.00	\$7.99	\$6.00	\$1.99
EFF10A19D50/4P/W5S	LED Bulb	10	1100.0	10W 1100L 2700K A19 DLED 4PK Wing Stack	25000	4	\$19.99	\$8.00	\$11.99	\$10.00	\$1.99
EFF10A19D27/4P/W5S	LED Bulb	10	1100.0	10W 1100L 2700K A19 DLED 4PK Wing Stack	25000	4	\$19.99	\$8.00	\$11.99	\$10.00	\$1.99
EFF13A21D50/4P/W5S	LED Bulb	13	1600.0	13W 1600L 2700K A19 DLED 4PK Wing Stack	25000	4	\$24.99	\$3.00	\$21.99	\$10.00	\$11.99
EFF13A21D27/4P/W5S	LED Bulb	13	1600.0	13W 1600L 2700K A19 DLED 4PK Wing Stack	25000	4	\$24.99	\$3.00	\$21.99	\$10.00	\$11.99
EFF4.5G25D27/3P/W5S	Specialty LED	4.5	500	4.5W 500L 2700K G25 DLED 3PK Wing Stack	15000	3	\$14.99	\$5.50	\$9.49	\$7.50	\$1.99
EFF3.5B1027C/3P/W5S	Specialty LED	3.5	325.0	3.5W 325L 2700K B10 DLED 3PK Wing Stack	15000	3	\$14.99	\$7.00	\$7.99	\$6.00	\$1.99
EFF3.5BA1027C/3P/W5S	Specialty LED	3.5	325.0	3.5W 325L 2700K BA10 DLED 3PK Wing Stack	15000	3	\$14.99	\$7.00	\$7.99	\$6.00	\$1.99
EFF5B1027C/3P/W5S	Specialty LED	5	525.0	5W 525L 2700K B10 DLED 3PK Wing Stack	15000	3	\$16.99	\$7.50	\$9.49	\$7.50	\$1.99
EFF5BA1027C/3P/W5S	Specialty LED	5	525.0	5W 525L 2700K BA10 DLED 3PK Wing Stack	15000	3	\$16.99	\$7.50	\$9.49	\$7.50	\$1.99
F4B10D27/3P/W5S	Specialty LED	4	300.0	4W 300L 2700K B10 FILAMENT DLED 3PK WING STACK	15000	3	\$14.99	\$7.00	\$7.99	\$6.00	\$1.99
ML2E242TRN127-V2	LED Fixture	24	1670	24W 1670L 2700K MUSHROOM FLUSH CEILING NICKEL	25000	1	\$39.99	\$21.00	\$18.99	\$9.00	\$9.99
ML2E242TRN127-V3	LED Fixture	24	1670	24W 1670L 2700K MUSHROOM FLUSH CEILING NICKEL	25000	1	\$39.99	\$11.00	\$28.99	\$9.00	\$19.99
ML2E242TRWH27-V2	LED Fixture	24	1670	24W 1670L 2700K MUSHROOM FLUSH CEILING WHITE	25000	1	\$39.99	\$16.00	\$23.99	\$9.00	\$14.99
ML2LAMPWWH209CS	LED Fixture	20	1400	20W 1400L ANY KELVIN 13" PUFF CEILING WHITE	54000	1	\$39.99	\$6.00	\$33.99	\$9.00	\$24.99
ML2LAMABN209CS	LED Fixture	20	1400	20W 1400L ANY KELVIN 13" ARCH CEILING WHITE	54000	1	\$49.99	\$11.00	\$38.99	\$9.00	\$29.99
ML2LAMPWWH18827	LED Fixture	17	1440	17W 1440L 2700K CLOUD CEILING FIXTURE	50000	1	\$39.99	\$6.00	\$33.99	\$9.00	\$24.99
ML2LASPRBZ14827	LED Fixture	14	996	14W FLUSHMOUNT LED FIXTURE	50000	1	\$39.99	\$6.00	\$33.99	\$9.00	\$24.99
ML4LE109SPLBK2	LED Fixture	9	550	9W Outdoor Residential Lantern	25000	1	\$29.99	\$11.00	\$18.99	\$9.00	\$9.99
ML4LE171RLBK27MSC-V3	LED Fixture	17	1600	17W Wall Mount Lantern	25000	1	\$39.99	\$6.00	\$33.99	\$9.00	\$24.99
ML4LS12MOLB	LED Fixture	10	541	10W Outdoor Residential Lantern	25000	1	\$39.99	\$11.00	\$28.99	\$9.00	\$19.99
ML4LS14SOLBPC	LED Fixture	14	1165	14W Outdoor Residential Lantern Photo cell	25000	1	\$39.99	\$11.00	\$28.99	\$9.00	\$19.99
ML7L4USB30BK	LED Fixture	4	220	7W LED Desk Lamp	50000	1	\$19.99	\$9.00	\$10.99	\$9.00	\$1.99
ML7L4USB30BL	LED Fixture	4	220	DESK LAMP LED 3.5W 3000K BLUE FINISH	25000	1	\$19.99	\$9.00	\$10.99	\$9.00	\$1.99
ML7L4USB30BU	LED Fixture	4	220	DESK LAMP LED 3.5W 3000K BURGUNDY FINISH	25000	1	\$19.99	\$9.00	\$10.99	\$9.00	\$1.99

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 10 of 16	MOU Effective Date: 1/1/2021

SKU	Product Description	QTY	UNIT PRICE	TOTAL PRICE	MARKETING ALLOCATION	PRODUCT ALLOCATION	RETAILER	TOTAL FUNDING*
ML7L4USB30GR	LED Fixture	4	220	880.00	25000		220 DESK LAMP LED 3.5W 3000K GREEN FINISH	\$9.00
ML7L4USB30PK	LED Fixture	4	220	880.00	25000		220 DESK LAMP LED 3.5W 3000K PINK FINISH	\$9.00
ML7L4USB30WH	LED Fixture	4	220	880.00	50000		220 7W LED Desk Lamp	\$9.00
ML7LA4S30BK	LED Fixture	4	225	890.00	50000		225 7W LED Desk Lamp	\$9.00
ML7LA4S30BL	LED Fixture	4	225	890.00	50000		225 7W LED Desk Lamp	\$9.00
ML7LA4S30BU	LED Fixture	4	225	890.00	50000		225 7W LED Desk Lamp	\$9.00
ML7LA4S30GR	LED Fixture	4	225	890.00	50000		225 7W LED Desk Lamp	\$9.00
ML7LA4S30PK	LED Fixture	4	225	890.00	50000		225 7W LED Desk Lamp	\$9.00
ML7LA4S30WH	LED Fixture	4	225	890.00	50000		225 7W LED Desk Lamp	\$9.00
ML8E303TUBZ27-V2	LED Fixture	30	2400	72000.00	25000		2400 30W LED TULIP VANITY	\$1.00
ML8E303TUNH27-V2	LED Fixture	30	2400	72000.00	25000		2400 30W LED TULIP VANITY	\$6.00
ML8E303TUWH27-V2	LED Fixture	30	2400	72000.00	25000		2400 30W LED TULIP VANITY	\$6.00
ML9E101CCN127-V2	LED Fixture	10	800	8000.00	25000		800 WALL SCONCE CONTEMPORARY NICKEL FINISH	\$13.00
ML9E101CCWH27-V2	LED Fixture	10	800	8000.00	25000		800 WALL SCONCE CONTEMPORARY WHITE FINISH	\$13.00
ML9LA17LCNB1927	LED Fixture	17	1,540	26,180.00	35000		1,540 17W LED WALL SCONCE	\$1.00
ML9LAFBN0927	LED Fixture	9	550	4,950.00	50000		550 12" LED FLEMING WALL SCONCE 9W 80 CRI 2700K BRUSHED NICKEL	\$6.00
ML9LARBN23830	LED Fixture	23	1610	37,030.00	50000		1610 23W 1610L 3000K WALL SCONCE BRUSHED NICKEL	\$1.00
SL-48231-50	Linear LED	23	2400	55,200.00	50000		2400 SHOP LIGHT 23" 40W 120V 5000K	\$16.00
SL-48421-50	Linear LED	42	4300	180,600.00	50000		4300 SHOP LIGHT 48" 40W 120V 5000K	\$11.00

The participating Sponsor agrees to fund this MOU as follows:

Sponsor	Manufacturer	Retailer	Product Allocation	Marketing Allocation (from Attachment B)	Total Funding*
NGRID RI	Maxlite	Hardware and Appliance	\$110,500.00	\$0.00	\$110,500.00

\*The Total Funding provided by the participating Sponsor in the table above, is equal to the combined allocations for all individual Retailer locations within the Sponsor's service territory as detailed in Attachment C. Manufacturer must track Product shipments and sales per Sponsor and each individual Retailer location to ensure Total Funding is not exceeded.

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 11 of 16	MOU Effective Date: 1/1/2021

## **Attachment B: Negotiated Marketing Plan**

**Manufacturer:** Maxlite

**Sponsor:** NGRID RI

**Retailer:** Hardware and Appliance

**Start and End date(s) of marketing:** 1/1/2021 – 12/31/2021

### **1. Marketing Plan Overview (insert description)**

#### **POP and Signage**

<b>Type of POP</b>	<b>Description</b>
Special Packaging	
Displays	
Signage	
Others:	

### **2. Terms and Conditions for Marketing (revised as needed and applicable)**

- a) Retailer and Manufacturer shall execute the marketing plans set forth in this *Attachment B: Negotiated Marketing Plan* and send hard copy and/or email examples of all final, approved Point of Purchase (“POP”) marketing and advertising materials to the Field Implementer. Any alterations to such plans must be reviewed and approved by the Field Implementer prior to implementation. As a condition to payment, Manufacturer must send proposed advertising to the Field Implementer for approval at least ten (10) days prior to placement. Samples of product packaging, signage, POP materials, print advertisements, and other materials that accompany this Promotion shall be sent to the Field Implementer within thirty (30) days of such materials’ placement.
- b) Retailer and Manufacturer shall incorporate Sponsors’ branding elements (names and logos) that comply with Sponsors’ requirements and brand standards in POP marketing and advertising materials (as detailed in the NCP package *Brand Guidelines*, a copy of which can be requested through the Field Implementer, and which may be updated from time to time by the Sponsor).
- c) Neither Manufacturer nor Retailer shall use any POP marketing and advertising material not approved by Sponsor, and upon any Sponsor’s request, must promptly remove and cease use of any unapproved POP marketing and advertising materials.
- d) All POP marketing and advertising materials, including, without limitation, anything using the names or logos of the Sponsor, must be approved by the Sponsor in writing prior to going to production. Marketing materials are to be provided, via email, to the Field Implementer referred to in Section VIII of this MOU.
- e) Sponsor will not provide payments for POP marketing and advertising materials printed, published, displayed, or otherwise developed or used that do not comply with the foregoing and/or have not been preapproved by the Sponsor.
- f) Send proof of advertising (i.e., newspaper tear sheet, radio sound file, etc.) and documentation of direct actual cost for such advertising (without markup) (i.e., shipping receipts, costs for displays and endcaps and any advertising), and invoice for such direct, actual cost to Field Implementer for payment once advertisement runs. Payment contribution will be issued as outlined in this *Attachment B: Negotiated Marketing Plan*. The Field Implementer will review the submission for approval and then forward to the Incentive Processor for processing and payment.

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 12 of 16	MOU Effective Date: 1/1/2021

- g) Sponsor and manufacturers may have separate agreements for marketing events and will be addressed in separate marketing agreements.
- h) As a condition to payment, Manufacturer must send proposed advertising to the Field Implementer for approval at least ten (10) days prior to placement. Send proof of advertising (i.e., newspaper tear sheet, radio sound file, etc.) and documentation of direct actual cost for such advertising (without markup), and an invoice for such direct, actual cost shall be sent to the Field Implementer for payment once the advertisement runs. Payment will be issued as outlined in Attachment B: Negotiated Marketing Plan. The Field Implementer will review the submission and forward to the Incentive Processor for processing and payment.

**3. Advertising Activities and Schedule**

Sponsor	Description of Marketing	Total Cost of Marketing	Sponsor Contribution
NGRID RI		\$0.00	\$0.00

Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 13 of 16	MOU Effective Date: 1/1/2021

**Attachment C: Participating Stores List**

**Manufacturer:** Maxlite

**Sponsor:** NGRID RI

**Retailer:** Hardware and Appliance

Store #	Store Name	Address	City	State	Zip	Sponsor	Total Product Allocation
-	Mt Pleasant Do It Best	249 Academy Ave	Providence	RI	02908	NGRID RI	\$9,000



Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 14 of 16	MOU Effective Date: 1/1/2021

## Attachment D: Invoicing and Sales Data

The following forms/samples must be submitted and approved by the Field Implementer prior to execution of this MOU:

1. A standard Manufacturer invoice meeting the requirements of Section IV(i) of this MOU ;
2. Manufacturer Summary Form in Microsoft Excel or other approved spreadsheet format, reflecting Retailer POS data for the reporting period in question and meeting the requirements of Section IV(i) of this MOU;
3. Proof of Sales:
  - a. A sample of data provided by Retailer from Retailer’s POS/accounting system in its native format; or
  - b. Standard Retailer Inventory and Sales Form signed by Retailer stating the quantity of product sold during the prior month and/or the inventory remaining.
4. Proof of Shipping: Shipping documentation showing product volumes delivered for any product shipped to Retailer during prior month; if no shipment occurred during the invoice period, indicate date of last shipment;
5. Proof of Contribution: Invoices issued from the Manufacturer to the Retailer, and marked as paid by the Manufacturer confirming the minimum contribution requirement was satisfied: \$0.10 per individual screw in bulb, \$0.50 per individual fixture, and \$.50 for each individual Advanced Power Strip.
6. Samples of other data, if applicable, in support of the invoicing process.

**All information set forth above must be (i) provided by Retailer to Manufacturer for submission to Incentive Processor with each payment claim submitted, (ii) valid and accurate and (iii) exactly in the format of the sample submitted and preapproved by the Field Implementer. Any changes to this format must be approved by the Field Implementer in advance in order for claims to be processed.**

Customer #	Customer Name	Ship to Address	City	State	Zone #	Item Description	Zone #	Quantity	Unit #	Line #	E-POS Date	Ship Date	Invoice #	Invoice Date
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	1	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	2	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	3	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	4	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	5	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	6	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	7	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	8	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	9	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	10	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	11	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	12	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	13	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	14	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	15	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	16	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	17	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	18	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	19	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	20	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	21	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	22	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	23	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	24	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	25	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	26	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	27	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	28	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	29	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	30	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	31	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	32	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	33	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	34	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	35	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	36	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	37	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	38	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	39	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	40	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	41	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	42	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	43	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	44	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	45	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	46	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	47	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	48	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	49	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	50	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	51	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	52	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	53	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	54	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	55	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	56	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	57	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	58	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	59	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	60	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	61	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	62	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	63	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	64	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	65	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	66	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	67	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	68	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	69	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	70	01/15/2021	01/15/2021	20210001	01/15/2021
228710	SCORPION HARDWARE C	305 WINDMILL RD	WINDMILL	RI	100	500001	100	50	5000	71	01/15/2021			



Markdown MOU Type #1	Maxlite Hardware and Appliance RI MOU 2021 338
Page 15 of 16	MOU Effective Date: 1/1/2021

**Attachment E: Invoice Submittal Form**

**National Grid RI ENERGY STAR<sup>®</sup>  
Residential Lighting Program**

**Invoice Submittal Form  
MOU# 2021-338**

**RETAILER AND MANUFACTURER SIGNATURES ARE REQUIRED TO PROCESS THIS  
SUBMITTAL. SUBMITTALS WITHOUT BOTH SIGNATURES WILL BE REJECTED.**

**Manufacturer: Maxlite**

**Retailer:** \_\_\_\_\_

**Store #:** \_\_\_\_\_ **Retailer Location:** \_\_\_\_\_

**For the Period (start/end date):** \_\_\_\_\_

**Please forward this form and supporting documentation to:**  
Energy Federation, Inc.  
1 Willow St, Suite 2  
Southborough, MA 01745  
800-876-0660 x 4515  
Submit online at: [efincp@efi.org](mailto:efincp@efi.org)

I certify that the sales data and other information included in this submittal as required under the MOU and more particularly Attachment D, is valid and accurately reflects the amount of the products purchased and contribution amounts paid for by the Retailer, the price charged for such products by Retailer, and sold by Retailer through this promotion during the time period indicated, and that I have complied with all other requirements of Attachment D, the MOU, and the program. To the best of my knowledge, sales transactions for invoiced Products did not exceed the quantity limits set forth in Section IV of this MOU (20 single-bulb packages, 4 multi-bulb packages, 6 fixtures and 6 Advanced Power Strips per residential customer transaction).

**Signature of Authorized Manufacturer Representative:**

\_\_\_\_\_ **Date:** \_\_\_\_\_

**Manufacturer must attach:**

- 1) Standard Manufacturer invoice;
- 2) Manufacturer Summary Form;
- 3) Retailer Inventory and Sales Form, completed signed by Retailer;
- 4) Retailer's actual Point of Sale data, if available;
- 5) Attach shipping information such as an aggregated shipping report, picking/packing slips, and/or bills of lading;
- 6) Paid invoices from the Manufacturer to the Retailer confirming a minimum contribution per Product (unit); and



# EFI Payment Processing Checklist

## Upstream Lighting Program - Energy Efficiency

InDemand Invoice Number  
**XXXXXX**

Program Manager (PM) to complete this checklist every time an EFI invoice is paid for the Upstream Lighting Program and upload to documents tab in InDemand invoice.

Area	Procedure	Completed?			If "No" or "NA" have been checked off, document the exceptions and approvals to those exceptions here	PM initials	Date:
		Yes	No	NA			
Preliminary steps	Before EFI submits its invoices:						
	<ul style="list-style-type: none"> <li>PM should review the "markdown close" report that EFI provides to PAs and TRC detailing all the sales (quantity and dollars) before the invoice is uploaded in InDemand. Validate that quantities sold are not excessive depending on type of store. Provide EFI with the OK so that they proceed uploading the invoice in InDemand.</li> <li>PM should review the MOU allocation using the "allocated versus pending" report that EFI provides. If allocation is exceeded, please contact your manager.</li> </ul>						
	Before processing EFI invoices, PM should check that TRC has also completed their validation of the "markdown close" report as per the step above. Attach email from TRC to this checklist to evidence their review. Do not process an EFI invoice if TRC has not completed their review.						
EFI Invoice	PM should review that the invoice summary uploaded in InDemand reconciles with EFI supporting backup documentation: <ul style="list-style-type: none"> <li>Program</li> <li>The Utility name being billed</li> <li>Total incentives, and processing and extract fees paid</li> </ul>						
Validation of invoice support	PM should obtain a Business Object report to get manufacturer/retailer information, total quantity sold and quantity per retailer included in the EFI invoice. Also, PM should check: <ul style="list-style-type: none"> <li>Total dollars reconcile with the incentives paid included in the EFI invoice being processed</li> <li>Quantities per retailer are not excessive depending on the store type. For any retailer that shows excessive quantities, request backup documentation from EFI. Contact your manager for any exception.</li> </ul>						
	PM should take a random sample of each EFI invoice from one retailer or manufacturer included in the EFI invoice being processed. PM will then request all supporting documentation for the sample selected and perform the following validations using the Business Object report extracted: <ul style="list-style-type: none"> <li>The retailer/manufacturer invoice should be submitted monthly and by exception only not exceeding 90 days. Request Director's approval for any invoice over 30 days</li> <li>Check that price per unit is consistent with the MOU</li> <li>Check that products sold are consistent with the MOU</li> <li>Validate that total amounts for quantity and dollars are properly calculated</li> <li>Ensure all supporting documentation has been submitted and reconciles as per the respective MOU (see Appendix below for details)</li> <li>Check that Appendix E has been signed by the retailer and/or manufacturer depending on the MOU type. PM should also make sure that Appendix E reconciles with the retailer or manufacturer invoice selected as a sample</li> </ul>						
	<b>Type 1 MOU Caps</b> PM should ensure that no retailer has or will exceed caps defined after paying the EFI invoice. Use reports submitted by TRC every two weeks to perform this validation. If caps are or will be exceeded, contact your manager. PM should not process the invoice until getting manager's approval.						
Approval of invoices before payment	PM should get the required financial approvals by email based on DOA below prior to approving invoices for payment in InDemand. Attach approval email to this checklist.						
	<ul style="list-style-type: none"> <li>Manager less than \$50,000</li> </ul>						
	<ul style="list-style-type: none"> <li>Director from \$50,000 to \$500,000</li> </ul>						
	<ul style="list-style-type: none"> <li>VP from \$500,000 to \$5 million</li> <li>Senior VP above \$5 million</li> </ul>						
	<b>If an invoice falls outside of the 30 day payment period a memo to file (attached to invoice) must be written by DOA level stating the reason outside of the business control.</b>						

### Appendix – Supporting sales documentation required by MOU type

MOU types 2, 3, 4, 5, 6, 7 and 10	Manufacturer invoice reflecting retailer point of sales (POS) data and original or untouched data from retailer's POS or accounting system
MOU type 1	Manufacturer invoice, retailer sales information, inventory counts, proof of shipping and proof of contribution
MOU type 8 (foodbank)	Manufacturer invoice, shipping information and distribution information
MOU type 9 (advance power strips)	Manufacturer invoice, shipping documentation and untouched data provided by manufacturer from retailer POS or accounting system

#### Quality Review

Reviewed by:

Date:

Observations:

# RCS & RCD/HES Payment Processing Checklist

InDemand Invoice Number

Program Manager (PM) to complete this checklist every time an RCS & RCD/HES invoice is paid and upload to documents tab in InDemand invoice. Refer to the full invoice Standard Operating Procedures on the Resi Implementation Sharepoint site for more details.

Area	Procedure	Completed?			Notes	PM initials	Date:
		Yes	No	NA			
Total Invoices	<ul style="list-style-type: none"> <li>In InDemand, search for all invoices in "In Progress" status for the program and vendor</li> <li>Copy the list and paste it into Excel</li> <li>Sort by vendor invoices</li> <li>Create a column that totals all the invoices that have been broken into parts</li> <li>Compare total to documentation submitted</li> </ul>						
Verify project prices – workpackage invoices	<ul style="list-style-type: none"> <li>Run workpackage detail report in Business Objects and download. Run for ALL InDemand invoices if the vendor invoices have been broken into parts.</li> <li>Run workpackage QA process to: <ul style="list-style-type: none"> <li>Verify correct measure prices have been charged</li> <li>Verify correct vendor project fees have been charged</li> <li>Verify measures (item types e.g. shower head) RCS RCD have been charged to the correct program (RCD vs. RCS)</li> <li>Randomly check (1) 100% incentive customer per invoice in WFA (Workflow Automation) to confirm incentive eligibility.</li> </ul> </li> <li>Save workpackage to common drive with Workpackage IDs and date in the file name.</li> </ul>						
Verify miscellaneous charges	<ul style="list-style-type: none"> <li>Open invoice and admin check fees against agreed-to prices</li> <li>Ensure these fees match what is charged to SAP code 8403 (Operation code for Admin charges) on the InDemand invoice. Or make sure they are properly charged to customer incentive.</li> <li>Verify Cost of Money fees (vendors bill 1x per mo, but NG requires LV to pay their contractors every 15 days), permit fees, travel expenses, bonuses, and other miscellaneous fees are correct</li> </ul>						
Finalize invoices	<ul style="list-style-type: none"> <li>Make sure total invoice amount equals InDemand amount(s)</li> <li>Make sure the PO is correct</li> <li>Enter the vendor invoice number in the check message box</li> </ul>						
Verify accounting & pay invoice	<ul style="list-style-type: none"> <li>Make sure the GL accounting strings are correct... company code, operation code, string for the correct program.</li> <li>Reallocate charges as needed across operating companies and programs – between RCD vs RCS programs.</li> <li>Create payment request</li> </ul>						
Post-payment request	<ul style="list-style-type: none"> <li>Enter payment and PO in the PO tracking spreadsheet</li> <li>Note any issues with POs and address as needed... budget issues, more funds for PO's.</li> </ul>						

# EFI Payment Processing Checklist

Residential Gas Heating & Water Heating Program – Clean Energy

InDemand Invoice/Work Package Number

/

**Program Manager (PM) should complete this checklist every time an EFI invoice is paid for the Retail Gas Program.**

Area	Procedure	Completed?			If "No" or "NA" have been checked off, document the exceptions and approvals to those exceptions here	PM initials	Date mm/dd/yy
		Yes	No	NA			
EFI Invoice	PM should review that the invoice summary uploaded in InDemand reconciles with EFI supporting backup documentation: <ul style="list-style-type: none"> <li>• Program</li> <li>• Company being billed</li> <li>• Total incentives, inspections, processing, and extract fees</li> </ul>						
Validation of invoice support	PM must run a work-package report to identify incentives to be paid by customer, service address, and solution. PM should validate that total dollars reconcile with the quantity, incentives, measures, and total rebate paid included in the EFI invoice being processed						
	PM should take a random sample of 3 of customer submissions included in the EFI invoice being processed. PM will then request or obtain through EFI's reporting tool all supporting documentation for the sample selected and perform the following validations: <ul style="list-style-type: none"> <li>• Validate that incentives and quantity paid by customer are within ordinary parameters (i.e., customers are not receiving multiple incentives under the same address for the same measure exceeding program limits)</li> <li>• EFI incentive invoices should be submitted monthly. Attach 30-Day Letter explaining any payment delays prior to invoice approval.</li> <li>• Proof of installation should include, equipment or measure installed, model number, contractor information and installation cost.</li> <li>• Check that any other required supporting documentation has been supplied and meets requirements</li> <li>• Validate that total amounts for quantity and dollars are properly calculated.</li> </ul>				Document here the customer submission reviewed (rebate number and account #)  Rebates:		
	Validation of prior Incentives: PM should ensure that EFI cross referenced the prior five years incentives paid by customer and address to ensure that no incentives have been previously paid against customer premise #. If incentives have been paid, request supporting documentation or feedback explaining prior incentives are reasonable for paying new incentives.						
Approval of invoices payment	DOA procedures will automatically be executed following financial thresholds: <ul style="list-style-type: none"> <li>• Band D (Manager) - up to \$250K</li> <li>• Band C (Director) up to \$2.5M</li> <li>• Band B (VP) up \$10M</li> <li>• Band A (CCO) over \$10M</li> </ul>						