



# Small Business Direct Load Control Program Rules

## 1. Program Overview

1.1. The Small Business Direct Load Control Program (“SBDLC”) is a part of the EnergyScout Program, and is also known as EnergyScout for Small Businesses. It is a demand response (“DR”) program designed to help maintain grid stability by allowing Hawaiian Electric to temporarily reduce power consumption from enrolled Equipment during peak demand periods or grid contingencies.

Program participants (“Participants”) may contact Hawaiian Electric for assistance at:  
Email: [energyscout@hawaiianelectric.com](mailto:energyscout@hawaiianelectric.com)

- 1.2. Participants receive a monthly bill credit for each piece of Equipment (as defined in Section 2.2) enrolled in the program.
- 1.3. The term of enrollment will be the duration of the program unless participation is terminated by either the Participant or Hawaiian Electric.
- 1.4. The program may be modified by Hawaiian Electric or as directed by the Hawaii Public Utilities Commission. To the extent possible, Hawaiian Electric will provide reasonable advanced notice of any significant changes affecting incentives, participation requirements, or program duration. Notice may be provided by bill insert, email, website posting, or other reasonable means, and may be issued generally rather than directly to each participant.

## 2. Participant Requirements

- 2.1. Participants must be commercial account holders or property owners. Hawaiian Electric may require Participants to provide reasonable proof of eligibility.
- 2.2. Eligible Equipment includes electric resistance water heaters with a tank capacity of at least 40 gallons, and central air conditioning systems with a nominal cooling capacity of at least 3 tons (each referenced as “Equipment”). Hawaiian Electric may update this list of eligible Equipment as needed to align with program requirements.
- 2.2.1. Solar thermal, tankless, gas, heat pump, and heat recovery water heaters are not eligible for the SBDLC program. This list is not exhaustive.
- 2.3. Participants must ensure enrolled Equipment remains in working condition throughout the duration of the program and the load control device (“Device”) remains connected and operational while enrolled in the program.
- 2.4. Participants must notify Hawaiian Electric as soon as possible if:
- The enrolled Equipment is removed or replaced by non-eligible equipment.
  - The Device is damaged, malfunctioning, or suspected to have been tampered with.
  - Participants do not need to notify Hawaiian Electric when replacing Equipment as long as the capability of the new Equipment is comparable to



that of replaced Equipment and the Device is correctly re-installed on the new Equipment and remains fully operational.

- 2.5. Participants must allow Hawaiian Electric or its authorized contractors to install, operate, maintain, repair, verify, and/or remove the Device at the property where the Equipment is located. Participants will receive at least 48 hours' notice if Hawaiian Electric needs to access the Device (unless the participant agrees to a shorter timeframe).
- 2.6. Hawaiian Electric or its authorized contractors will install the Device on each enrolled piece of Equipment at no cost to the Participant.
- 2.7. The load control Device is the operated and maintained by Hawaiian Electric, and participants shall not modify or remove the equipment without prior authorization from Hawaiian Electric. Unauthorized tampering or removal may result in removal from the program.
- 2.8. By participating in the program, you grant permission for Hawaiian Electric and its contractors to remotely access data produced by the Device. This data may be used for program administration, performance analysis, and service improvements. Anonymized data may also be used for research and modeling purposes.

### **3. Demand Response Events**

- 3.1. Demand response events may be initiated by Hawaiian Electric or automatically triggered by electric grid conditions that require a reduction in electricity demand.
- 3.2. Dispatched events typically last up to one hour. Underfrequency events, which respond to electric grid conditions, typically last only a few minutes.
- 3.3. Dispatched events are anticipated to occur no more than once per day. However, in rare cases, additional events may be necessary to help maintain grid stability.
- 3.4. Participants will not receive advanced notice before demand response events.

### **4. Incentives**

- 4.1. Participants receive the following monthly bill credits while they are enrolled and in compliance with the program.
  - \$3 per month for each enrolled electric resistance water heater.
  - \$5 per month for each nominal ton of nameplate-rated cooling capacity for each enrolled central air conditioning system.
- 4.2. Bill credits are applied monthly, regardless of how many demand response events occurred during the billing period.

### **5. Program Enrollment & Termination**

- 5.1. Enrollment in the program is voluntary and continues until the participant or Hawaiian Electric terminates participation.



- 5.2. Hawaiian Electric may terminate a Participant's enrollment at any time for their failure to comply with these Program Rules. Hawaiian Electric may also terminate a Participant's enrollment at its sole and absolute discretion for any reason with at least ninety (90) days' advanced written notice.
- 5.3. Participants may withdraw from the program by contacting Hawaiian Electric.
- 5.4. Hawaiian Electric reserves the right to retrieve its devices and associated equipment from the Participant's premises following a termination. Hawaiian Electric or its authorized contractors will contact the affected Participant to arrange for the removal of the device once the Participant's enrollment is terminated.
- 5.5. If the property where the Device is installed is sold or occupied by a different customer, participation in the program and the customer agreement will automatically transfer accordingly. No new agreement is required but the individual assuming the agreement may opt out of the program if they so desire by notifying Hawaiian Electric.
- 5.6. Prior to the sale or other transfer of occupancy of the property to another, the current Participant is required to inform the new owner or occupant that the property is enrolled in the program and that a Device is installed on Equipment there. For a property not occupied by the owner, the property owner or manager is required to notify the new occupant that the property is enrolled in the program and that a Device is installed.