New York Energy $mart[SM]
Products Program

Manufacturer Marketing Guidelines and Agreement

Effective January 1, 2011

Manufacturer Partnership Overview

The **New York Energy $mart℠** Products Program (the Program) is designed to create a sustainable increase in market share of residential ENERGY STAR® qualified products and other energy-efficient products that are detailed within the following pages.

The Program is a partnership providing real benefits designed to build showroom traffic and increase sales of ENERGY STAR products. As of December 2010, Program participants include more than 1,321 retailer partners and 45 major manufacturer partners, with more than $34 million spent for co-operative advertising and performance incentives since the Program's inception in 1999.

Benefits of Program partnership include access to effective program strategies designed to increase sales of ENERGY STAR products; co-op funds for all types of media advertising and targeted promotions; opportunities to create joint promotions with existing retail accounts; additional media recognition via NYSERDA sponsored TV, radio, and print campaigns; leveraged assistance in opening new doors with prospective New York State retailers; and the opportunity to align with national ENERGY STAR campaigns and with other **New York Energy $mart℠** promotions.

As a Manufacturer Partner, you may apply for and receive partial reimbursement for promotion of ENERGY STAR products and other program-sponsored products. The *Cooperative Marketing Agreement* (page 8) **MUST** be signed and returned to your Partner Representative in order to be eligible to use incentives. Your Partner Representative will work with you on submitting your promotions for pre-approval making them eligible for reimbursement upon providing the required documentation (page 5).

Partners may participate in multiple promotions, subject to a "per cap" basis on reimbursements. You may choose any one of the promotional vehicles outlined, or any combination of them. NYSERDA encourages any promotional opportunity that successfully increases the sales of ENERGY STAR products and enhances consumer knowledge and understanding of the ENERGY STAR label. All promotional ideas will be considered, and are eligible for possible reimbursement. The combined maximum incentive amount for advertising and promotions cannot exceed the total pre-approved incentive permitted for the period.

Eligible Products

Products covered by the Program and for which promotional incentives are available include:

ENERGY STAR Qualified Products	Compact Fluorescent Lamps (CFLs), Fluorescent Fixtures, Solid State Lighting (SSL) Fixtures & Screw Base Light Bulbs, Ceiling Fans w/lighting, Clothes Washers, Dehumidifiers, Dishwashers, Freezers, Refrigerators, Room Air Conditioners, Thru-the-Wall Air Conditioners
Other Energy-Efficient Products (Energy $mart Products)*	SSL Fixtures, Advanced Power Strips, In-Home Control Devices, Organic Light Emitting Diodes (OLEDs), Pool Pumps, Smart Appliances

**These Energy-Efficient Products are not ENERGY STAR qualified; however they are included in the Program due to their energy efficiency benefits (see criteria below and on the following page).*

Other ENERGY STAR qualified or energy-efficient products may be added in the future. If products are added during the Program year, Partners will be notified of changes via email and an updated list will be posted on the www.GetEnergySmart.org Partner Page. Manufacturers are encouraged to submit details of products they feel might qualify for this category.

As mentioned above, the Program supports the following technologies for which there is no ENERGY STAR label but which save significant energy and provide benefit to New York. The Program's goal in supporting these products is to provide a strong educational component to the consumer, focused on the benefits of the products identified below, leading to a preference for their use over inefficient products.

Because the EPA has not yet established ENERGY STAR performance criteria for these products, the information provided below will serve to establish NYSERDA's definition of each product, and the relevant base criteria required in order to qualify for support through this Program.

Product	Definition	Criteria
Advanced Power Strips	A power strip that is able to shut off an outlet automatically eliminating pass standby. These types of power strips have all the traditional benefits of surge protection, but are equipped with built-in energy saving technology.	The following Advanced Power Strip technologies will be covered under this criterion: master/slave; occupancy sensor; wireless control. UL/cUL listed; Surge Protection; Tested to UL Standard 1449 - NTL; Rated for 120 volts and 15 amp service; Consumes 1 watt or less of standby power; Can control passive standby; Packaging contains detailed instructions and technical support information; Needs to carry a connected product warranty; Has a re-settable circuit breaker.
In-Home Control Devices	Devices that can control HVAC, lighting, and standby power from outlets.	UL/cUL listed components; Surge Protection; Tested to UL Standard 1449 – NTL; Installed by a consumer or contractor; Expandable without buying new core equipment; Packaging contains detailed instructions and technical support information; Controls Lighting, Electronics, and HVAC; Available for sale directly to consumers via direct manufacturer sales or retail outlets; Needs to carry a connected product warranty; Available for new construction or retrofit applications; Must be interchangeable with other communication platforms (WiFi, ZigBee, Z-Wave).
Solid State Lighting (SSL) Fixtures & Screw Based Light Bulbs	Small light sources that become illuminated by the movement of electrons through a semiconductor material.	For non- ENERGY STAR category SSL fixtures, if the product is covered by DesignLights™Consortium (DLC) Qualified Products List (QPL) list categories, it will be considered for program promotional incentives. For a list of these products go to: http://www.designlights.org/solidstate.about.QualifiedProductsList_Publicv2.php Note: Non-ENERGY STAR category SSL fixtures that are not covered by DLC QPL categories will not be considered.

OLEDs	Flat light source of stacked wafers, emitting diffuse light from a potentially large active area. They do not need light distribution elements, thus reducing the cost for the whole lighting panel.	UL/cUL listed, a minimum of 50 lumen per watt, must have some type of frame or holder, a life of 20,000 hours or greater, intended for retail sales, use for general illumination or task lighting.
Pool Pumps	Two-speed or variable-speed residential pool pumps (pump and motor device combined) that powers a pool's circulation system in order to filter water and maintain water clarity and sanitation	National Sanitary Foundation (NSF) certified; UL/cUL listed; Needs to carry a warranty (parts and labor); Installed by a licensed contractor/installer; Two or Variable speed, and be equipped with some type of settable control (products with manual control only are not eligible). Note: These criteria may be superseded by ENERGY STAR qualifications or by CEE specifications when finalized.
Smart Appliances	Large appliances including Refrigerator, Clothes Washer, Freezer, Dishwasher, Room Air Conditioner, or other potential energy saving appliances that have advanced control functionality via remote or network communication.	Must meet the ENERGY STAR efficiency specifications; control components must be UL listed; feature one of the following; bi-directional communication, network mesh capability, time of use interaction, programmable run times (aside from delay start), or intuitive technology to avoid run time during peak demand periods.

Promotional Incentive Requirements

NYSERDA will consider any promotion that supports the goals of the Program and encourages New Yorkers to purchase ENERGY STAR and program-qualified energy-efficient products. Promotions include, but are not limited to: marketing events, in-store events and live demonstrations, and community or regional events. Promotions may feature promotional material such as signage, banners, flyers, etc., provided the material carries an educational message about the benefits of ENERGY STAR. NYSERDA reserves the right to negotiate the terms and amount of reimbursement for any proposed promotion.

Geographic Requirements: Published or distributed within the Program's territory (see accompanying Manufacturer Partnership Guidelines and Agreement). The Program is designed to provide incentives for promotions that reach SBC Ratepayers. The Program does not offer incentives for promotions serving other audiences.

Submission Requirements: All Advertising and Promotions must be submitted with an Application for Advertising and Promotions form (page 6) 30 DAYS BEFORE IMPLEMENTATION in order to qualify for reimbursement consideration. Notification of approval or of necessary changes required in order to receive approval will be provided within the same period. Include copy, layout, artist's rendering, computer drawing, etc. wherever applicable. Partners must be in good standing to apply for funding, meaning they are in compliance with all the requirements of the accompanying Manufacturer Partnership Guidelines and Agreement.

Invoicing Requirements: All invoicing for promotion reimbursements must be received within 30 days of the date of the close of the advertising/promotion, or within 15 days of the end of the quarter (whichever comes first). CFL buy-down promotion billing must be submitted monthly until the end of the promotion. Failure to comply with this Program requirement may result in ineligibility of costs for reimbursements.

Logo Requirements: Regardless of whether the advertisement will be submitted for co-op funding, partners must comply with the ENERGY STAR logo and Program requirements as defined at www.energystar.gov. An approved logo artwork CD is available by calling 1-877-NY STAR1. Also, see the logo guidelines accompanying this agreement.

Education Requirement: To be eligible for Program incentives, all advertisements and promotions must have at least one mention of educational information about ENERGY STAR or the qualified product. Educational information is defined as information that is not known by the general public (e.g. the energy savings of the product or specific product attributes). This information must be obtained through your Partner Representative, the www.GetEnergySmart.org website, or the www.energystar.gov website.

Additional requirements for radio, television, and all other promotions include:

Radio Requirements	❑ Submit script and Application for Advertising and Promotions form (see page 6). ❑ Must be a minimum 30-second spot. ❑ Develop a commercial that contains educational information on AT LEAST one specific ENERGY STAR or energy-efficient product. ❑ 30 second spots must feature twelve seconds (:12) of educational information; 60 second spots must feature twenty-four seconds (:24) of educational information. ❑ Notification of approval of the promotion or of any necessary changes required to approve a radio commercial will be provided within two business days of receipt of application.
Television Requirements	❑ Submit script, storyboard, and Application for Advertising and Promotions form (see page 6). ❑ For a 30 second spot, the ENERGY STAR logo must be of a size that is clearly visible and legible for minimum 10-second duration, and must feature, on-screen, a qualified ENERGY STAR product when the logo is in view. ❑ For a 60 second spot, the ENERGY STAR logo must be of a size that is clearly visible and legible for minimum 20-second duration, and must feature, on-screen, a qualified ENERGY STAR product when the logo is in view. ❑ The commercial must also feature, on screen, a qualified ENERGY STAR product. ❑ The commercial must contain educational information on AT LEAST one specific ENERGY STAR or energy-efficient product. ❑ 30 second spots must feature twelve seconds (:12) of educational information; 60 second spots must feature twenty-four seconds (:24) of educational information. ❑ Notification of approval of the promotion or of any necessary changes required to approve a television commercial will be provided within two business days of receipt of application.
Requirements for All Other Promotions	❑ Must be submitted for pre-approval at least 30 days prior to a planned implementation or event date. ❑ Include an Application for Advertising and Promotions form (see page 6). ❑ Notification of approval or of necessary changes required in order to receive approval will be **provided within 30 business days** for All Other Advertising and Promotions.

Reimbursement Documentation and Process

To be eligible for reimbursement of incentive claims, prior to running ads or holding an event, partners must be current in all data submissions and must complete and submit the Manufacturer Partnership Agreement (see accompanying Manufacturer Partnership Guidelines and Agreement) and Cooperative Marketing Agreement (see page 8). Reimbursement claims should be submitted within 30 days after the close of the advertising/promotion or within 15 days after the end of the quarter (whichever comes first).

Once the advertisement or promotion has run, submit your transmittal letter of approval (including advertising number) with the required documents below for reimbursement:

Radio and Television	❑ 1 copy of the original invoice and the affidavit of airing. ❑ 1 copy of advertisement (cassette, VHS tape, CD or DVD). ❑ 1 document stating viewership, gross impressions and gross rating points.
All Other Promotions	❑ Documentation required in your approval letter and any other information described on the Application for Advertising & Promotions form (see page 6). ❑ Buy-down calculator (if applicable). ❑ Event or training photos (if applicable).

<u>Mail or Fax all Promotion Applications and required Reimbursement Documents to:</u>

Lockheed Martin
PO Box 559
Attn: Incentive Coordinator
Fayetteville, NY 13066
Fax: 315-329-6093

Application for Advertising and Promotions

COMPLETE THIS FORM FOR ALL ADVERTISING AND PROMOTIONS – PRE-APPROVAL IS REQUIRED

Company Name:

Contact Name:

Address:

City: State: ZIP Code:

Phone: Fax: Email:

DESCRIPTION OF PROMOTION (ATTACH SEPARATE PAGE IF NECESSARY)

PROJECTED START DATE: **PROJECTED END DATE:**

NAME OTHER PARTICIPANTS (IF APPLICABLE)

DESCRIPTION OF MARKETING PLAN (INCLUDE MATERIALS TO BE PRODUCED AND CREATE A SAMPLE FOR APPROVAL)

ESTIMATE IMPACT OF PLAN (FOR BUYDOWN PROMOTIONS INCLUDE A CALCULATOR)

FOR BUYDOWN PROMOTIONS, TRANSFER CALCULATOR KWH SAVINGS TO THIS BLOCK:

Total Annual kWh Saved	Total Lifetime kWh Saved

DETAILED COST BREAKOUT (ATTACH SEPARATE PAGE IN NECESSARY)

Mail or Fax this form to:
Lockheed Martin
PO Box 559, Fayetteville, NY 13066
Attn: Incentive Coordinator
Fax: 315.329.6093

NYSERDA RESERVES THE RIGHT FOR ANY REASON, TO STOP APPROVING INCENTIVE APPLICATIONS AT ANY TIME WITHOUT NOTICE.

THIS PAGE INTENTIONALLY BLANK

New York Energy $mart℠ Products Program
2011 Cooperative Marketing Agreement for Manufacturer Partners
Effective January 1, 2011 –December 31, 2011

Partners are encouraged to promote the energy-saving benefits of ENERGY STAR® and energy efficient products via promotions. All promotions submitted will be considered for reimbursement. All promotions require pre-approval.

	Eligible Products	Promotion	Incentive Amount	Incentive Maximum
Tier 1 Products	Ceiling Fans w/lighting, Clothes Washers, Dehumidifiers, Dishwashers, Freezers, Refrigerators, Room Air Conditioners, Thru-the-Wall Air Conditioners, Smart Appliances	Print, Radio & Television All Other Promotions	Up to 25% of approved promotion or published airtime cost (whichever is less) Up to 50% of cost of promotion	Cannot exceed $50,000 maximum incentive
Tier 2 Products	Fluorescent Fixtures, SSL Fixtures, SSL Integral Lamp Screw Base Light Bulbs, Advanced Power Strips, In-Home Control Devices, OLEDs, Pool Pumps	Print, Radio & Television All Other Promotions	Up to 25% of approved promotion or published airtime cost (whichever is less) Up to 50% of cost of promotion	Cannot exceed $100,000 maximum incentive
Tier 3 Products	Compact Fluorescent Lamps (CFLs) *NOTE: CFL manufacturers that have maximized the $300,000 incentive amount for approved promotions by the end of the 1st Quarter of 2011, and who have AT LEAST 75% invoiced by the end of the 2nd Quarter of 2011, may be eligible to receive extra funding (up to an additional $300,000) based on the availability of Program funds. Manufacturers that do not meet these thresholds WILL be eligible to access additional funds at a level determined on a case-by-case basis.*	Buy-Down Promotions	Up to 50% of cost of promotion	Cannot exceed $300,000 maximum incentive

For Tier 1 and Tier 2 products, manufacturer partners may use any combination of promotions when applying for incentives up to the maximum incentive amount allowed for the period. Partners who manufacture both Tier 1 and Tier 2 products may apply for incentives in both categories, but are ONLY eligible for a combined maximum incentive amount of $100,000. Partners who manufacture HVAC products in addition to Tier 1 or Tier 2 products *and who participate in NYSERDA's Upstream HVAC Program* may apply for incentives in *both* programs, but are ONLY eligible for a combined maximum incentive amount of $80,000 for Tier 1 products, and $100,000 for Tier 2 products.

Partners must be in good standing to apply for funding, meaning they are in compliance with all the requirements of the accompanying Manufacturer Partnership Agreement. **For each approved Application, NYSERDA will retain 15% of the reimbursement amount as described above until the end of the promotion. The retainage will be released upon verification that all reports have been received.**

I understand and accept the guidelines and Program requirements for each incentive offering described in the New York Energy $mart℠ Products Program *2011 Cooperative Marketing Agreement for Manufacturer Partners* document effective January 1, 2011, and I agree to allow, if required by NYSERDA, my shipping records to be audited. Applicable shipping records are limited to any and all records of shipping products to retailers in New York State.

Authorized Signature: _____ Company Name: _____
Print Name: _____Title: _____Date: _____

Please sign and mail this form to Lockheed Martin, 880 Third Avenue, 9th Floor,
New York, NY 10022 Attn: Deborah Hill, Operations Manager, or return it to your Manufacturer Partner Representative.

NYSERDA reserves the right, for any reason, to stop approving Incentive Applications at any time without notice.

This document supersedes the Incentive Offering Wave 19 document for ALL Manufacturer Partners