

# City of Lompoc's Electric Utility Business Incentive Rebate Program



**Purpose:** The City's Economic Development Department has partnered with the Electric Utility Division to increase the occupancy of vacant properties by encouraging new businesses to the community with an incentive if they move into previously vacant properties. This program provides for the reimbursement of a portion of the electric consumption and (if applicable) demand charges for a new or expanding business for a limited period not to exceed 18 months after occupying a previously vacant commercial location.

**Applicability:** This rebate is available as a reimbursement to qualified customers on the A-1 and A-12 rate schedules. Otherwise eligible customers on the A-13 or eligible for the A-13 rate schedule will continue to receive the discount provided by the A-13 schedule or will be encouraged to apply for the A-13 rate.

**Definitions:** A **property** can be either a separate parcel or a location identified in Lompoc's utility billing system within the service territory of Lompoc. The property or location must be individually metered. A location can be a storefront that is otherwise part of a larger complex on a parcel that is individually metered for electricity.

A property is considered **unoccupied** if the electric consumption has been at or near zero for at least ninety days. Incidental consumption to maintain security or landscaping services would not otherwise cause the property to be considered occupied.

A **Business Tax Certificate (BTC)** is issued annually and expires June 30<sup>th</sup> each year. The issuance of a BTC requires compliance with applicable regulatory codes and regulations. The law provides that a BTC is necessary before any business, trade, profession, enterprise, establishment, occupation, or calling is conducted within the City. A BTC is required even though the business may not have a fixed place of business in the City or has a BTC from another city.

Eligible commercial electrical customers must be in **good standing** with the electric utility. A customer in good standing has paid in full all utility charges on their accounts and has paid those charges on time or has established good credit with the City. For the account the rebate applies to, good credit is required for the rebate to be credited. The qualifying customer (or related parties to the qualifying customer – a related business or the residential account of the qualifying customer), if they have other utility accounts with the City, may not have more than one delinquency within the last twelve months on those accounts to qualify for the rebate.

**Eligibility:** A qualifying customer is one who:

1. Takes permitted occupancy after June 30, 2013, of property within the city limits of the City of Lompoc (Lompoc).
2. The occupied property receives electric service from Lompoc and has an operational City of Lompoc electric meter.
3. The property must have been unoccupied prior to the subject occupancy.

4. All applicable planning and permitting costs associated with the permitted occupancy have been paid by the time the rebate application is processed.
5. Any BTC requirements have been met and the qualifying customer is in possession of a valid Lompoc BTC.
6. The qualifying customer has not otherwise received rebates under this program at another location. If the program is extended beyond December 31, 2016, a qualifying customer can be eligible for the program once in every five year period.

Discount: The reimbursement rebate will be based on a graduated percentage over the term of eligibility for the qualifying customer. The rebate percentages are as follows:

1. Upon initiating electric service but no earlier than the effective date of the BTC, the rebate for the first six months (or billing cycles) of electric service charges will be **20 percent** of the charges incurred during the same six month period.
2. Following the first six months and for six additional months, the rebate will be **15 percent** of the charges incurred during the same six month period.
3. The final six months of rebates will begin after the first 12 months of service and conclude 18 months following the initiation of the rebate program for the eligible customer and will be **10 percent** of the charges incurred during the same six month period.
4. The discount will only be calculated on electric consumption and electric demand charges, if applicable, of the eligible customer's bill.
5. The rebate does not apply to any external charges (currently the State CEC Surcharge and the Public Benefits Charges are such charges) or other charges, assessments or adjustments on the electric portion of the bill. Water, Wastewater, Solid Waste and Broadband charges on your bill are not eligible for the rebate.
6. The rebate will be paid within 90 days following the end of each six month period based on billed consumption upon confirmation of good standing. The rebate will be applied as a credit to the customer's account eligible for the rebate.

Verification: Eligible customer must provide information satisfactory to Lompoc regarding the new business planned and qualification information for the location and business. The attached form is provided to assist with the data necessary to apply for the rebate. A business that ceases to operate during the 18 month period in which it is eligible for the rebate will forfeit any rebate that is due but unpaid unless any and all fees or charges due to Lompoc have been paid timely and in full.

Sunset: This rebate is retroactive related to the review period of a facility's use. Customers eligible for this rebate must have occupied and established electrical service at the facility no earlier than July 1, 2013. The rebate program can be discontinued by the City at any time but in no event will the program extend beyond December 31, 2016, unless extended by City Council action. Any rebate approved by December 31, 2016, will be eligible to receive rebates as prescribed in the rebate terms.



# City of Lompoc's Electric Utility New Business Incentive Rebate Application

Customer's Business Name:

\_\_\_\_\_

Customer's mailing address:

\_\_\_\_\_

\_\_\_\_\_

Customer's physical service address:

\_\_\_\_\_

I certify that I meet all requirements listed above and I understand the conditions listed above. I verify I am an authorized agent for the customer and the information I have provided is true and correct.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Printed name and title: \_\_\_\_\_

\_\_\_\_\_

City of Lompoc use:

Electric service turn-on date: \_\_\_\_\_

Cumulative consumption at location for the 3 full cycles prior to the Customers turn-on date:

\_\_\_\_\_

Customer's payment standing over:

First six months: \_\_\_\_\_ of lates/delinquencies

Second six months: \_\_\_\_\_ of lates/delinquencies

Third six months: \_\_\_\_\_ of lates/delinquencies

Customer rebate calculation:

	<u>First six months</u>	<u>Second six months</u>	<u>Third six months</u>
Total eligible charges:	_____	_____	_____
Rebate amount:	_____	_____	_____
Date paid:	_____	_____	_____