



# STATE ENERGY EFFICIENT APPLIANCE REBATE PROGRAM



## Suggestions for Retailer or Vendor Participation Agreements

Outlined below is a list of potential elements that States may wish to select from as they prepare program participation agreements with retailers or other vendors. The purpose of this document is to provide assistance with drafting formal agreements, but should not be used as a legal contract. Feel free to contact your D&R Account Manager for further assistance.

### WORKING WITH RETAILERS AND VENDORS

- States should inform retailers and vendors of program details as soon as possible to enable time for them to plan. Key pieces of information to provide include:
  - Which products qualify?
  - Who qualifies for rebates?
  - What are rebate amounts?
  - When are rebates available?
  - Will products purchased online qualify for a rebate?
  - Where should the retailer direct customer complaints?
- Retailers will need at least 8 weeks notice to ensure proper in-store signage and displays, sales-staff training, and adequate product inventory.
- Work with both corporate and local retailer contacts. D&R can provide contact information for national retailers, retailer buying groups, and product manufacturers (who may be helpful in reaching out to local HVAC and water heater distributors and contractors).
- Be clear about any haul-away, disposal, or recycling requirements and how the State program will define these.

### MARKETING AND OUTREACH

States may wish to require that retailers or vendors provide marketing and outreach support for the program. Some potential activities include:

- Provide copies of ads or materials produced as part of retailer's/vendor's promised in-kind marketing support for State's program (if applicable).
- Train sales associates about State's program requirements and eligible products.
- Promote the State's program to consumers via in-store signage, flyers, advertisements, etc.
- Confirm program details with State before placing ads (e.g., start date, covered products, rebate amounts, recycling requirements, etc.).

### SALES TRANSACTION PROCESS

States may wish to require that retailers/vendors undertake certain steps during the sales process. Such requirements would differ depending on how the State's program is structured; some possible elements include:

- Remind customers that they must be buying a new appliance for the purpose of replacing an old appliance in order to receive a rebate.

- Provide customers with the rebate application form.
- Inform customers that they must reserve the rebate online [before/after] purchase and help them make that reservation, if appropriate.
- Verify that the product being purchased is a qualified model.
- Include rebate amount in the sales price at the point of sale (if using instant rebates).
- Arrange for haul-away of old appliance.

### HAUL-AWAY – DISPOSAL – RECYCLING

To prevent the refurbishment and re-sale of old appliances replaced under this program, some States are requiring participating retailers or vendors to dispose of or recycle all units hauled away. This requirement may necessitate that retailers/vendors alter their current practices. States should clearly specify what is required of the retailers/vendors and whether the requirements vary by product type.

Some possible requirements include the following:

- Haul-away and Proper Disposal. Retailer/Vendor must haul-away 100% of the used appliances replaced as part of State's program, and dispose of them properly. All hazardous materials (e.g., refrigerants, mercury, oils, and PCBs) must be handled in accordance with Federal, State, and local laws. [State may wish to expand on State's laws, such as any related to landfill bans, etc.]
- Haul-away and Recycling. Retailer/Vendor must haul away 100% of used appliances replaced as part of State's program, and ensure they are recycled. "Recycling" means that the product is de-manufactured and processed through a recycling facility. All hazardous materials (e.g., refrigerants, mercury, oils, and PCBs) are handled in accordance with Federal, State, and local laws. Recyclable materials (e.g., plastics, metals, and glass) are sorted and reprocessed into raw materials for future reuse.
- Provide consumers, at the time of haul-away, a receipt and/or other document verifying that the old unit was hauled-away for [disposal/recycling].

### DATA AND REPORTING

State may need to require that all participating retailers or vendors provide regular reports or data as a condition of participating in the State's program.

- Report [monthly/quarterly/after promotional period] the number and type of qualifying appliances hauled away for disposal or hauled away for recycling during the promotional timeframe.
- Instant Rebates: Report sales transaction and haul-away details [weekly/monthly] for each purchase where an instant rebate is awarded. Sales transaction reports should include the following data fields: [specify desired data fields].

### STATE RESPONSIBILITIES

Participation agreements may also outline specific activities the State will be responsible for conducting. For example:

- State will list participating retailers/vendors on its program Web site.
- State will require that consumers purchase appliances from a participating retailer/vendor in order to be eligible to receive a rebate under its program.
- State will provide retailer/vendor with updated information on the availability of rebate funds via [include specific method State will use and how often].
- State will assist retailer/vendor by providing [insert types of support, e.g., training materials or sessions for sales staff, point of purchase materials, etc.].