

NEW CONSTRUCTION & MAJOR RENOVATIONS (4/27/2021)

Memorandum of Understanding for Path 2: Whole Building Energy Use Intensity (EUI) Reduction

The Whole Building Energy Use Intensity (EUI) Reduction Program (“Program”) is intended for customers with larger and/or fairly complex projects,¹ who are interested in setting an EUI² reduction target that represents at least 10% improvement over a baseline building site EUI. The intent of the incentives and technical assistance offered in this pathway is to provide a holistic energy reduction approach that shifts customer and design team focus to expected performance outcomes as they work through the project design.

Project Eligibility:

1. Projects must have a minimum of 30,000 square feet (sf) of comfort conditioned (heated and cooled) space.³
2. Customer should engage The Connecticut Light and Power Company (CL&P) and/or Yankee Gas Services Company each dba Eversource Energy (Eversource) and The United Illuminating Company (UI), The Southern Connecticut Gas Company (SCG), and Connecticut Natural Gas Corporation (CNG), subsidiaries of AVANGRID, Inc. (collectively The Companies) during the project’s conceptual or schematic design phases, but before 100% Design Development
3. Projects must be new buildings, building additions or complete renovations of existing buildings.⁴ Qualifying major renovations are such that occupancy is not possible during construction and where the project scope includes at least 3 of the following systems: (1) HVAC, (2) domestic hot water (DHW), (3) lighting, and (4) envelope
4. Buildings should be comfort-conditioned (heated and cooled), but partially conditioned buildings such as warehouses and industrial facilities, may be eligible on a case by case basis
5. Core and shell and high-rise multi-family projects may participate, provided they meet the requirements above
6. Participants must be a customer of one of The Companies

Key Customer Commitments:

1. Participating project teams commit to setting an EUI target⁵ in early design (at least a 10% site EUI reduction from the Energize CT baseline) and working toward it throughout the remainder of design
2. Customers agree to including the site EUI target in project documents such as Owner Project Requirements (OPR)

¹ Examples of complex projects might be labs, health science centers, grocery stores, etc.

² Energy Use Intensity (EUI): A measure of a building’s gross annual energy consumption relative to its gross square footage (excluding parking garages; penthouse square footage should also not be included, as it is not conditioned space). EUI is calculated as KBtu per square foot per year. Note: This differs from *source* EUI, which includes the total amount of raw fuel used at power plants to operate a building. For Path 2, only site EUI will be considered.

³ The Companies may allow participation in this pathway for energy intensive projects even if they are less than 30,000 sf in size. Please contact us for more details.

⁴ Tenant fit outs are not eligible to participate in this pathway.

⁵ Neither combined heat and power (CHP) nor electricity generating renewables, such as photovoltaic (PV) or wind turbine technology, contribute towards the site EUI target. The EUI target may evolve throughout the design process.

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3. Customers agree to establishing a plan for determining the building's post occupancy site EUI and identifying a responsible party
4. Customers must commit to a 25% cost share of the services of a third-party Technical Assistance (TA) vendor (services include energy charrette facilitation, site EUI target setting, energy modeling, and mid-design review/feedback).

Key Commitments of The Companies:

1. Cost share services of a TA vendor (up to 75% of fee)
2. Assist customer and design team in identifying and evaluating site EUI reduction strategies
3. Offer construction and post occupancy incentives on a dollar per square foot basis, supporting projects with deeper site EUI reductions with higher incentive rates (see Table 1 that follows)
4. Offer Design Team Incentives to qualifying projects (see Table 2 that follows)
5. Offer an optional Verification Incentive to help customers and their teams achieve the predicted site EUI once the building is operating (see Table 1 that follows)

This document outlines the roles and responsibilities of each party to set transparent expectations for all parties participating in the Program. Under no circumstances does this Memorandum require customers or design teams to incorporate any particular site EUI reduction strategy, nor does this document bind the customer or design team to a particular site EUI target. Further, this Memorandum does not bind the Companies to any particular site EUI strategy and/or any Incentive and any and all assistance offered by The Companies through this Program is offered in an advisory capacity only.

The Companies understand that the following customer:

_____ (“the Owner”):
will undertake the following (check one)

- new construction
- major renovation,
- addition

_____ (“Premises Address”)
This project is being designed by the following design professionals (collectively, the “Design Team”):

_____ (“Architect” or “Design Firm Official”)
_____ (“Electrical Engineer”)
_____ (“Mechanical Engineer”)

Participating Companies:

_____ (“Electric Utility Provider”)
_____ (“Gas Utility Provider”)

IMPORTANT:

Customers participating in this pathway may not also participate in the Energize CT upstream programs where incentives for HVAC, domestic hot water and lighting equipment are offered directly to distributors or post-installation rebates. To ensure participation in only one Energize CT program pathway for this equipment, designers must include language in project documents informing contractors that this project is participating in a Energize CT downstream program

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pathway, and that they may not pursue or accept any HVAC, domestic hot water or lighting upstream incentives for this project.

Detailed Process:

Step 1—Coordination with The Companies

During schematic design or in pre schematic design, inform The Companies of your new construction/major renovation project. The Path 2 Whole Building EUI Reduction Program is only available when The Companies are engaged and an energy charrette is scheduled before the end of Design Development. The earlier you contact The Companies, the better the opportunity for energy savings and incentives.

All customers and design firm officials must sign this Memorandum of Understanding (MOU) and agree to the following steps.

Step 2 – Energy Charrette, EUI Target Setting and Developing a Roadmap to Meeting the EUI Target

Customer and design team participate in an energy charrette with The Companies and their TA vendor.

- All projects participating in this Program must establish a site EUI target that represents at least a 10% site EUI reduction from the Energize CT baseline at or shortly after the energy charrette, with the understanding the site EUI target may evolve over the course of design.
- The Companies will bring on an approved TA vendor who will:
 - Assist the project team in establishing a preliminary site EUI target for the project, if one has not already been determined by the project team
 - Help the design team develop a set of strategies that will lead to a reduction in site EUI for the project relative to the Energize CT baseline site EUI
 - Prepare a proposal to develop a baseline energy model (per Energize CT baseline requirements) and two phases of as-designed models:
 - TA vendors will produce the first as designed model and iteration of the baseline model based on either the 50% or 100% Design Development (DD) set. TA vendors will provide a report with feedback and further site EUI reduction recommendations for the customer and design team at this time.
 - TA vendors will produce a final baseline and as-designed model based on the 90% Construction Documents (CD) set.

Step 3 – Customer Agrees to Cost Share TA Services

- The Companies will cover the fees for TA services in this Program at up to 75% cost share (each project is capped at \$20,000).
- Customer must commit to 25% of the fee for TA services and must sign a Whole Building Performance Integrated Design Agreement (DA) committing to this cost share.
- If the customer engages an energy modeler not on the TA Provider list, The Companies will only cover fees for TA services in this Program at up to a 25% cost share (each project is capped at \$20,000).

Step 4 – Customer Must Develop a Plan for Measurement and Verification of the Project’s Operational EUI

Setting a site EUI target and working toward it during design is an important step toward reducing operational energy use, however customers must establish a plan to evaluate energy use post occupancy to be successful in truly achieving a low site EUI. Customers must determine how site EUI data will be

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collected and evaluated post occupancy and assign a responsible party.

Thought should be given to corrective action if at post occupancy the project is straying from the final design site EUI. The Companies strongly recommend that the project team consider submetering at minimum in accordance with the LEED BD&C v4 Energy and Atmosphere Advanced Energy Metering credit, which requires submetering of any individual energy end uses that represent 10% or more of the total annual consumption of the building.

An optional Verification Incentive is available to help customers identify issues that may arise related to energy savings post construction (please request the scope of work for the Verification Incentive from The Companies for more detail). The Companies will reimburse 50% or up to \$10,000 of the fee associated with this work. Customers must decide during design if they wish to pursue this incentive so that a contract can be put in place.

Step 5 – Design

Once the EUI target is established, it should be written into the project documents, including the Owner Project Requirements (OPR), where it will serve as a touchstone throughout the rest of design and construction. The project team will pursue the site EUI target throughout design and should conduct the iterative energy modeling necessary to ensure that the design remains on track to achieve the target EUI.

Step 6 – Interim Report and Consultation

The TA vendor will produce a model and report based on the 50% or 100% Design Development set, showing measures that are producing site energy savings relative to the Energize CT baseline as well as the predicted site EUI of the project. The customer, design team and The Companies will meet at this time with the TA vendor to review results and recommendations for further reducing the project site EUI.

The Companies will lock in the target site EUIs at each incentive tier at this time, based on the interim report. The target site EUIs will remain locked for purposes of incentives unless there are major design changes between 100% Design Development and 100% Construction Documents, including, but not limited to HVAC system type changes and space type changes. Customers are not required to hit any particular target, however at this time, they will know for certain the site EUI targets they must hit to achieve each tier of incentive rates.

Step 7 – Incentive Pre-Approval from The Companies

At 90% Construction Documents (CDs), the TA vendor will prepare the final Energize CT energy model and report documenting the final predicted site EUI and the percent EUI reduction from the Energize CT baseline. The Companies will issue customer offer letters in accordance with the incentive rates shown in Table 1 below.

Table 1. Customer Incentive Rates	
% Site EUI Reduction	Rate
10.0% - 14.9%	\$1.00/sf
15.0% - 19.9%	\$1.50/sf
20.0% - 24.9%	\$2.00/sf
25.0% and above	\$2.50/sf
Optional Verification Incentive	50% up to \$10,000

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The Companies will require customers to sign a Whole Building Performance Integrated Design Agreement and MOU, formally requesting Energize CT incentives, and customers must also sign the Letter of Agreement (LOA) that lays out the energy-saving equipment and system details, based on 90% Construction Documents, that will lead the project to achieve the final design’s predicted EUI. Customers must commit to building the building as it was designed and as it was documented in the LOA and Whole Building Performance Template (WBP Template). Major deviations from the design and changes in energy system components, equipment efficiencies and control strategies as documented in the WBP Template could jeopardize the project’s ability to achieve the target site EUI and could jeopardize the customer’s opportunity to obtain full incentives.

At this point in the design process, The Companies and customers will finalize all payments to the TA vendor since the modeling and site EUI reduction consultation phase of the project is complete.

Step 8 – Construction Completion, Construction Phase Incentive Payment, Design Team Incentive Payment

A few weeks before substantial completion, customers must provide a set of approved submittals, invoices and photographs corresponding with energy reducing equipment and systems per the WBP Template. The Companies may also request a copy of the project’s schedule of values.

All projects participating in the Program are subject to inspection by each participating utility provider. Customers may be asked to arrange for these post inspections to take place once the building is ready for occupancy.

After completion of the review of submittals, photographs, and invoices, and upon completion of the post inspection, The Companies will make the construction incentive payment to the customer. Where equipment and systems installed deviate substantially from equipment and systems shown in the design documents and WBP Template, The Companies reserve the right to adjust the customer and design team incentive amounts.

Select projects are subject to 20% incentive hold-back pending receipt of trend data or other information stipulated in the WBP Template.

The design team is eligible for a Design Team Incentive if the modeled site EUI reduction is at least 10% to encourage the integrated design and continuous iterative energy analysis that is necessary to achieve the EUI target.⁶ It is payable at the end of construction in accordance with the rates in Table 2 that follows. The Companies pay the Design Team Incentives to the design team lead who may disperse them to other team members as appropriate.

Table 2. Design Team Incentives		
Whole Building EUI Reduction	10.0% to 19.9% site EUI reduction	\$0.05/sf, capped at \$10,000
	20.0% and 24.9% site EUI reduction	\$0.10/sf, capped at \$12,500
	≥ 25.0% site EUI reduction	\$0.20/sf capped at \$15,000

⁶ Where the project has a contract that may restrict payments to the design team (as can happen with some municipal projects), it is the responsibility of the design team lead to work with the customer to ensure that the design team can obtain design team incentive payments per this Program offering.

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Step 9 – Verification Incentive (optional)

Customers that have chosen to pursue a separate Verification Incentive from The Companies must ensure that their selected consultant completes the scope of work during the post occupancy period. This incentive is offered to help customers achieve their site EUI targets not only in the design, but upon occupancy as well. Provide copies of consultant reports generated at each stage of review to The Companies. Contact The Companies for details on requirements for this optional incentive.

Engagement with The Companies after Design Development

Project teams and customers who engage with The Companies on qualifying projects after the end of design development, may participate with The Companies as follows:

- Engagement with The Companies after 100% Design Development and before the end of Construction Documents:
 - Project teams may still participate in the modeling-only portion of the Path 2 Whole Building EUI Reduction Program at up to 50% Energize CT and 50% customer model cost share.
 - The early site EUI benchmarking support and the design team incentives will not be available
- Engagement after 100% Construction Documents:
 - The Path 2 Whole Building EUI Reduction Program as described above is not available, but teams may participate with The Companies by completing appropriate prescriptive and custom applications via the New Construction Systems Path.

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By signing below, the owner represents that he/she (1) shall be the sole and lawful owner of the Premises and (2) has read, understands, accepts and agrees to the terms and conditions for participation in the Program outlined above.

Customer Signature: _____

Customer Printed Name: _____

Date: _____

Design Firm Official Signature: _____

Design Firm Official Printed Name and Company Affiliation: _____

Date: _____

AGREED:

_____ **Date:** _____

The Companies (specific Utility and its representative to be identified)

Eversource UI SCG CNG

_____ **Date:** _____

The Companies (specific Utility and its representative to be identified)

Eversource UI SCG CNG

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Process Checklist

Whole Building EUI Reduction Program

Early Design

- During concept design or early schematic (but before the end of Design Development), engage The Companies and schedule an energy charrette
- Sign Energize CT Memorandum of Understanding (MOU)
- Sign a Whole Building Performance Integrated Design confirming customer is willing to cost-share the services of a TA vendor
- Establish site EUI target. Insert site EUI target here if known: _____
- Include site EUI target in the Owner Project Requirement (OPR) and provide The Companies with a copy
- Establish a plan for calculating site EUI once the building is operational; identify responsible parties and consider tools that will flag unexpectedly high energy use at post occupancy (e.g., submetering)
- If pursuing the Verification Incentive, establish a contract with the Verification Team to complete this work and provide a copy of the contract that includes the scope of work necessary to obtain the incentive from The Companies

Mid Design

- Provide 50% or 100% Design Development set to TA vendor for review and team feedback/discussion
- Designers must include language in project documents informing contractors that this project is participating in an Energize CT downstream program pathway, and that they may not pursue or accept any HVAC, domestic hot water or lighting upstream incentives for this project. Upstream incentives for food service equipment are allowed and encouraged.

End of Design – Upon Completion of Energy Modeling

- Provide 90% Construction Documents to the TA vendor to provide a final report showing the predicted site EUI of the project's final design. The site EUI results will determine the level of incentives to be paid.
- Sign the Letter of Agreement (LOA) affirming intent to build in accordance with the equipment and system specifications stated in the LOA
- Finalize payment to the Energize CT TA Vendor once energy model and report are complete

Construction/End of Construction Phase

- Maintain focus on the project components such that the predicted site EUI is maintained as a target throughout construction
- Provide submittals, invoices, photographs and possibly a contractor schedule of values at the end of construction to affirm that equipment and systems were installed as stated in the LOA
- Schedule a post installation walk-through with The Companies
- Sign the Measure Verification forms to confirm project is complete and ready for occupancy and to confirm that equipment and systems have been installed as expected to contribute to the predicted site EUI. Note any changes.
- The Companies will pay customer's construction incentive if equipment is installed as expected
- The Companies will pay the Design Team Incentives if equipment is installed as expected

Post Construction

- If pursuing the Verification Incentive, provide copies of the Verification Team's reports at each reporting interval indicated in the scope of work to The Companies

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Connecticut Energy Efficiency Fund - Energy Efficiency Services Standard Terms and Conditions (4/29/2015)

1. To be eligible for an incentive payment, the Participant shall install the Energy Efficiency Measures ("EEMs" or "measures") and comply with the requirements listed in the Exhibit(s) and verify the EEMs perform in their intended manner. The Participant shall design and install each and all EEMs identified in the Exhibit(s). The Participant shall obtain all necessary permits and comply with all applicable laws, ordinances, building codes, and regulations of all appropriate governing authorities. Moreover, the Participant shall be responsible for any infraction or violation thereof, and any expense or damage resulting therefrom. The Participant receiving incentives shall be responsible for any tax liability associated with incentive payments.
2. The Connecticut Light and Power Company, doing business as Eversource Energy ("Eversource") and/or the Yankee Gas Service Company, doing business as Eversource Energy ("Eversource"), as manager of the Connecticut Energy Efficiency Fund ("EEF"), on behalf of its customers, shall issue a Form 1099 to all Participants who receive more than \$600.00 of incentives per year.
3. To be eligible for an incentive payment, the project must be inspected by Eversource and verified to be installed and operating in accordance with the approved energy analysis report and/or Exhibit(s) by the agreed upon completion date. The Participant shall notify Eversource in sufficient time and allow Eversource reasonable access to the facility to conduct such inspections and shall supply Eversource with copies of any requested documents necessary to verify that the project complies with the Letter of Agreement ("LOA") requirements.
4. Incentive payments from the EEF to the Participant are based on the EEMs actually installed by the Participant, which are specified in and in compliance with, the Exhibit(s). Eversource will provide the Participant (or their designee) with the actual incentive payment based on Eversource's review and approval of final installed costs after installation of all measures. Eversource is solely responsible for determining the final incentive amount and reserves the right to withhold the incentive payment until it has verified actual cost(s) of the measures or performance specifications of installed measures.
5. Participant acknowledges and agrees that (a) neither Eversource nor any of its employees, agents, representatives or consultants are responsible for assuring the design, analysis, engineering, and/or installation of any or all of the individual EEMs is proper or complies with any particular laws, codes, or industry standards, including, without limitation, current standards published or otherwise recognized as applicable to the technology, and (b) Eversource does not represent, warrant or guarantee the product or services of any particular vendor, manufacturer, contractor or subcontractor.
6. Only electricity retail distribution customers of Eversource and/or firm gas customers of Eversource, at time of inspection, are eligible to receive incentives and become Participants in any of the EEF energy conservation programs. In addition, Participants who receive service for the subject facility noted in this LOA via Eversource's distribution equipment are eligible for incentives.
7. Eversource does not represent, warrant, or guarantee the safety of any EEMs or that the installation of any EEMs will result in any level of energy savings will occur at the level projected in the energy analysis report and/or the Exhibits or will result in any measurable energy related benefit.. Factors that are impossible to predict, such as changes in facility use, equipment additions or modifications, cutbacks, or weather changes, etc., all of which may impact the Participant's future electric energy or natural gas use and savings. Eversource's scope of review for purposes of this LOA is limited to determining if the EEMs have met the program requirements. Eversource does not include any kind of safety or performance review of the equipment installed or serviced in connection with this LOA or any planned or installed EEMs.
8. Eversource reserves the right to perform, at EEF's expense, and within two years of incentive payment, a confidential project evaluation, under actual operating conditions, to help determine the actual energy savings. The Participant shall provide information as necessary to facilitate this evaluation.
9. In accordance with the Department of Public Utility Control's ("DPUC", now known as the Public Utilities Regulatory Authority) September 29, 2008 decision in Docket No. 05-07-19RE01, DPUC Proceeding to Develop a New Distributed Resources Portfolio Standard (Class III) – 2007 Revisions, (as supplemented by the Department February 11, 2010 decision in Docket No. 05-07-19RE02), neither Customer nor Participant nor Contractor/Arranger is eligible to receive or retain any Class III conservation credits or any and all environmental credits or benefits in connection with the program that is the subject of this LOA and Contractor hereby acknowledges and agrees to the same. Contractor further acknowledges and agrees that such credits shall be retained by Eversource for the benefit of its customers through the Connecticut EEF. The Customer, Participant, and Contractor/Arranger agrees to execute any and all documents and/or instruments as requested by EEF Manager to evidence such assignment. In the event that the DPUC amends or modifies the allocation of Class III conservation credits as reflected in its September 29, 2008 decision, then the allocation of such credits utilized by Eversource shall be the allocation in effect (per the applicable DPUC decision) on the Effective Date of the LOA.
10. By counter-signing and returning this LOA to Eversource and as a condition for receiving EEF incentives pursuant to the applicable conservation programs, Customer, Participant, and Contractor/Arranger acknowledge and agree that any and all payments, benefits and/or credits associated with or applicable to any Eversource customer's participation in the program that is the subject of this LOA in connection with the ISO New England, Inc. Forward Capacity Market ("FCM") or any currently existing or successor or replacement markets, (including, but not limited to, any and all transitional FCM credits or payments or any and all other capacity-related credits, payments and/or benefits for which such customer is eligible) shall be deemed as and form capacity payments, credits and/or benefits of Eversource as applicable. Customer, Participant, and Contractor/Arranger hereby assign to Eversource, as applicable, all of their right, title and interest in and to any and all such capacity payments, credits and/or benefits and shall take any and all action, including executing and delivering any and all documents and/or instruments, as requested by Eversource, as applicable, to evidence the same. Forward Capacity Market means the market for procuring capacity pursuant to ISO-NE Tariff, FERC Electric Tariff No. 3, Section III, Market Rule 1, Section 13, any modifications to the Forward Capacity Market, or any successor or replacement market/capacity procurement process.
11. If the Participant requests in writing additional time to complete the EEMs at least (5) five business days prior to the project's estimated completion date as stated in this LOA, Eversource may grant an extension, but reserves the right to re-evaluate any program incentives or modify the EEF Energy Conservation Program Standard Terms and Conditions in effect at the time of the request.
12. Eversource may, by written notice, terminate the LOA for convenience, in whole or in part. In this event, Eversource shall pay, from the EEF, the unit or pro rata price for the performed and accepted portion of the project, and a reasonable amount, not otherwise recoverable from other sources, for the unperformed or unaccepted portion of the project, provided that the total compensation does not exceed the total amount in the LOA. No allowance will be made for anticipated profits. Eversource and the EEF shall not be liable for any consequential or incidental damages for termination under this Article.
13. These Standard Terms and Conditions are applicable only to the facilities described in the LOA and not to any future additions or alterations to the Participant's facility that may be serviced by Eversource.
14. The Participant shall defend, indemnify and hold harmless Eversource, its directors, officers, employees, agents, affiliated companies, and representatives, against and from any and all loss, claims, actions, or suits, including cost and reasonable attorneys' fees, arising from the Participant's participation in Eversource's Energy Efficiency Services. Eversource shall not be liable to Participant for any damages in contract or tort or otherwise including negligence caused by any activities related to Participant's participation in Eversource's Energy Efficiency Services, including without limitation the actions or omissions of any design professional or any employee, agent, contractor, subcontractor or consultant retained by Eversource. Eversource's liability under this LOA shall be limited to paying the incentives specified for the EEMs, but only as and if such incentives become payable to Participant and only to the extent that such incentives are not subject to repayment as provided in this LOA. In no case shall Eversource be liable to Participant for any special, indirect, consequential, incidental, punitive or exemplary damages of any kind including but not limited to loss of use, lost profits, out of pocket expenses by statute, tort or contract, in equity under any indemnity provision or otherwise.
15. These Standard Terms and Conditions are binding on the heirs, successors and assigns of the Participant and Eversource. The LOA shall not be assigned by either party without prior written consent of the other. .
16. The LOA shall be administered and interpreted under the laws of the State of Connecticut. If any part is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the terms and conditions shall continue in full force and effect
17. The Participant understands that all funding for this program derives from the EEF and funded by the customers of Eversource. Eversource is not responsible for any costs or damages incurred by the Participant if funding for this program or the EEF is reduced or eliminated by the State of Connecticut, the Department of Energy and Environmental Protection or the Connecticut Public Utilities Regulatory Authority.
18. The parties shall endeavor to resolve any dispute arising out of or relating to this LOA by mediation before the alternative dispute resolution staff of the Public Utilities Regulatory Authority ("PURA"). If a resolution cannot be reached in that forum, the parties agree resolve their dispute by the CPR Mediation Procedure then currently in effect. Unless the parties agree otherwise, the mediator will be selected from the CPR Panels of Distinguished Neutrals. Any controversy or claim arising out of or relating to this LOA, including the breach, termination or validity thereof, which remains unresolved 45 days after the appointment of a mediator, shall be finally resolved by confidential, final and binding arbitration in accordance with the CPR Institute for Dispute Resolution Rules for Non-Administered Arbitration then currently in effect, by a sole arbitrator. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The place of arbitration shall be Hartford, Connecticut, or such other location mutually agreed to by the parties. The arbitration must be commenced within two years of the conduct or action giving rise to the dispute.

Connecticut Natural Gas (CNG) STANDARD TERMS AND CONDITIONS

BASIC UNDERSTANDINGS

CNG has integrated its energy conservation program with the Connecticut Energy Efficiency Fund's (CEEF) Energy Conscious Blueprint which is designed for new construction, major renovation and equipment replacement projects. CNG offers to pay incentives to certain customers for including energy efficient measures (each an "Individual Measure" and collectively, the "Measures") in the Customers' facilities. This Agreement provides the terms and conditions for payment of Incentives and any applicable Bonus Incentives by CNG to a Customer under the Energy Conscious Blueprint program. The terms and conditions as outlined in this standard agreement pertain to Municipal projects as well.

Any CNG Commercial, Industrial, or Multifamily Customer (including governmental accounts), as defined by CNG's Firm Rate structure; or the State of CT legislature's definition of municipality; are eligible for participation in the Energy Conscious Blueprint program.

1. The Customer shall obtain all necessary permits and comply with all applicable laws, ordinances, building codes, and regulations of all appropriate governing authorities. Moreover, the Customer shall be responsible for any infraction or violation thereof, and any expense or damage resulting there from.
2. The party receiving incentives shall be responsible for any tax liability associated with incentive payments. An Internal Revenue Service ("IRS") Form 1099 shall be issued to all Customers who receive incentive payments of \$600 or more per year, which amount is subject to change based on IRS reporting requirements in effect at the time the incentive payment was made.
3. To be eligible for an incentive payment, the project must be inspected and verified to be installed and operating in accordance with the energy analysis as approved by the CNG, or its agent or its designee and/or Schedule A, by both CNG and the Customer. The Customer shall allow **CNG or its designee** reasonable access to the facility to conduct such inspections and shall supply CNG with copies of any documents necessary for it to verify that the project complies with the all of the Agreement requirements.
4. The Actual Incentive payment to the Customer is based on the measures actually installed by the Customer and the measures shown in Schedule A, whichever cost is less, and may differ from the Estimated Incentive based on CNG's review and approval of final installed costs. CNG will provide the Customer with the Actual Incentive payment based on CNG's review and approval of final installed costs after installation of all measures. CNG shall withhold the Actual Incentive payment until such time as it can verify the Customer's actual cost of the measure and the projected energy savings of the measure. CNG is solely responsible for determining the incentive amount and reserves the right to withhold the incentive payment until it has verified the true actual cost of the measures.
5. Only existing firm customers of CNG, at time of inspection, are eligible to become Customers in any of the conservation programs.
6. CNG does not guarantee that the Customer's actual savings will occur at the level projected in the energy analysis report and/or Schedule A. Factors that are impossible to predict, such as facility expansion, cutbacks, or weather changes, all may impact the Customer's future natural gas use.
7. CNG reserves the right to perform, at its own expense, and within two years of project completion, a confidential project evaluation, under actual operating conditions, to help determine the actual energy savings. The Customer shall provide information as necessary to facilitate this evaluation.
8. CNG may cancel this Agreement immediately and without notice to the Customer if any of the following conditions exist:
 - (i) The Customer fails to sign this Agreement within thirty (30) business days of CNG's approval date.
 - (ii) The Customer fails to initiate installation or construction of the project within sixty (60) Business Days of CNG's approval date.
 - (iii) The Customer has not submitted to CNG a written explanation acceptable to CNG in its sole discretion outlining the reasons why the initiation of the construction process has not begun within 60 Business Days of the Approval Date. These situations will be subject to CNG review on an individual basis.
 - (iv) The Customer fails to install replacement equipment within ten (10) months of CNG's Approval Date (as applicable), or if the Customer fails to complete the construction of the Facility within two (2) years of CNG's Approval Date.
 - (v) The customer is not engaged in a continual program of construction, reconstruction, retrofitting, or refurbishment ("Construction") of the Facility by the end of two (2) years or ten (10) months (in the case of equipment replacement) from CNG's Commitment Date (as applicable), and has not submitted to CNG a written explanation outlining the reasons why and which explanation is acceptable to CNG in CNG's sole discretion. These situations will be subject to CNG review on an individual basis.
9. CNG may, by written notice, terminate the Agreement for convenience, in whole or in part. In this event, CNG shall pay the unit or pro rata price for the performed and accepted portion of the project, and a reasonable amount, not otherwise recoverable from other sources, for the unperformed or unaccepted portion of the project, provided that the total compensation does not exceed the total amount in the Letter of Agreement. No allowance will be made for anticipated profits. CNG shall not be liable for any consequential or incidental damages for termination under this Article.
10. CNG may, by written notice, terminate the Agreement for the Customer's refusal or failure to comply with its provisions, in whole or in part.
11. If the Customer requests in writing additional time to complete the EEMs at least 5 business days prior to the project's estimated completion date as stated in the Agreement, CNG may grant an extension, in accordance with the Energy Efficiency Services Standard Terms and Conditions then in effect.
12. The Customer shall hold harmless CNG, its directors, officers, employees, agents, affiliated companies, and representatives, against and from any and all loss, claims, actions, or suits, including cost and reasonable attorneys' fees, arising from the Customer's participation in CNG's Energy Efficiency Services.

Connecticut Natural Gas (CNG)
STANDARD TERMS AND CONDITIONS

13. These Standard Terms and Conditions are binding on the heirs, successors and assigns of the Customer and CNG. The Agreement shall not be assigned by either party without prior written consent of the other. The Customer agrees to include the Agreement in all leases, sales contracts, and other similar documents relating to the use and ownership of the facilities for which Energy Efficiency Services have been provided by CNG.
14. These Standard Terms and Conditions are applicable only to the facilities described in the Agreement and not to any additions to the Customer's facility that may be serviced by CNG in the future.
15. This Agreement shall be administered and interpreted under the laws of the State of Connecticut. If any part is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the terms and conditions shall continue in full force and effect.
16. The Customer understands that all funding for this program is managed by CNG and funded by CNG's customers. CNG is not responsible for any costs or damages incurred by the Customer if funding for this program is reduced, eliminated, or otherwise disapproved, adjusted, or modified (in whole or in part) by the State of Connecticut or the State of Connecticut Public Utilities Regulatory Authority.

Southern Connecticut Gas (SCG) STANDARD TERMS AND CONDITIONS

BASIC UNDERSTANDINGS

SCG has integrated its energy conservation program with the Connecticut Energy Efficiency Fund's (CEEF) Energy Conscious Blueprint which is designed for new construction, major renovation and equipment replacement projects. SCG offers to pay incentives to certain customers for including energy efficient measures (each an "Individual Measure" and collectively, the "Measures") in the Customers' facilities. This Agreement provides the terms and conditions for payment of Incentives and any applicable Bonus Incentives by SCG to a Customer under the Energy Conscious Blueprint program. The terms and conditions as outlined in this standard agreement pertain to Municipal projects as well.

Any SCG Commercial, Industrial, Multifamily or Municipal Customer, as defined by SCG's Firm Rate structure; or the State of CT legislature's definition of municipality; are eligible for participation in the Energy Conscious Blueprint program.

1. The Customer shall obtain all necessary permits and comply with all applicable laws, ordinances, building codes, and regulations of all appropriate governing authorities. Moreover, the Customer shall be responsible for any infraction or violation thereof, and any expense or damage resulting there from.
2. The party receiving incentives shall be responsible for any tax liability associated with incentive payments. An Internal Revenue Service ("IRS") Form 1099 shall be issued to all Customers who receive incentive payments of \$600 or more per year, which amount is subject to change based on IRS reporting requirements in effect at the time the incentive payment was made.
3. To be eligible for an incentive payment, the project must be inspected and verified to be installed and operating in accordance with the energy analysis as approved by the SCG, or its agent or its designee and/or Schedule A, by both SCG and the Customer. The Customer shall allow **SCG or its designee** reasonable access to the facility to conduct such inspections and shall supply SCG with copies of any documents necessary for it to verify that the project complies with the all of the Agreement requirements.
4. The Actual Incentive payment to the Customer is based on the measures actually installed by the Customer and the measures shown in Schedule A, whichever cost is less, and may differ from the Estimated Incentive based on SCG's review and approval of final installed costs. SCG will provide the Customer with the Actual Incentive payment based on SCG's review and approval of final installed costs after installation of all measures. SCG shall withhold the Actual Incentive payment until such time as it can verify the Customer's actual cost of the measure and the projected energy savings of the measure. SCG is solely responsible for determining the incentive amount and reserves the right to withhold the incentive payment until it has verified the true actual cost of the measures.
5. Only existing firm customers of SCG, at time of inspection, are eligible to become Customers in any of the conservation programs.
6. SCG does not guarantee that the Customer's actual savings will occur at the level projected in the energy analysis report and/or Schedule A. Factors that are impossible to predict, such as facility expansion, cutbacks, or weather changes, all may impact the Customer's future natural gas use.
7. SCG reserves the right to perform, at its own expense, and within two years of project completion, a confidential project evaluation, under actual operating conditions, to help determine the actual energy savings. The Customer shall provide information as necessary to facilitate this evaluation.
8. SCG may cancel this Agreement immediately and without notice to the Customer if any of the following conditions exist:
 - (i) The Customer fails to sign this Agreement within thirty (30) business days of SCG 's approval date;
 - (ii) The Customer fails to initiate installation or construction of the project within sixty (60) Business Days of SCG's approval date;
 - (iii) The Customer has not submitted to SCG a written explanation acceptable to SCG in its sole discretion outlining the reasons why the initiation of the construction process has not begun within 60 Business Days of the Approval Date. These situations will be subject to SCG review on an individual basis.
 - (iv) The Customer fails to install replacement equipment within ten (10) months of SCG's Approval Date (as applicable), or if the Customer fails to complete the construction of the Facility within two (2) years of SCG 's Approval Date
 - (v) The customer is not engaged in a continual program of construction, reconstruction, retrofitting, or refurbishment ("Construction") of the Facility by the end of two (2) years or ten (10) months (in the case of equipment replacement) from SCG's Commitment Date (as applicable), and has not submitted to SCG a written explanation outlining the reasons why and which explanation is acceptable to SCG in SCG's sole discretion. These situations will be subject to SCG review on an individual basis.
9. SCG may, by written notice, terminate the Agreement for convenience, in whole or in part. In this event, SCG shall pay the unit or pro rata price for the performed and accepted portion of the project, and a reasonable amount, not otherwise recoverable from other sources, for the unperformed or unaccepted portion of the project, provided that the total compensation does not exceed the total amount in the Letter of Agreement. No allowance will be made for anticipated profits. SCG shall not be liable for any consequential or incidental damages for termination under this Article.
10. SCG may, by written notice, terminate the Agreement for the Customer's refusal or failure to comply with its provisions, in whole or in part.
11. If the Customer requests in writing additional time to complete the EEMs at least 5 business days prior to the project's estimated completion date as stated in the Agreement, SCG may grant an extension, in accordance with the Energy Efficiency Services Standard Terms and Conditions then in effect.
12. The Customer shall hold harmless SCG, its directors, officers, employees, agents, affiliated companies, and representatives, against and from any and all loss, claims, actions, or suits, including cost and reasonable attorneys' fees, arising from the Customer's participation in SCG 's Energy Efficiency Services.

Southern Connecticut Gas (SCG)
STANDARD TERMS AND CONDITIONS

13. These Standard Terms and Conditions are binding on the heirs, successors and assigns of the Customer and SCG. The Agreement shall not be assigned by either party without prior written consent of the other. The Customer agrees to include the Agreement in all leases, sales contracts, and other similar documents relating to the use and ownership of the facilities for which Energy Efficiency Services have been provided by SCG.
14. These Standard Terms and Conditions are applicable only to the facilities described in the Agreement and not to any additions to the Customer's facility that may be serviced by SCG in the future.
15. This Agreement shall be administered and interpreted under the laws of the State of Connecticut. If any part is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the terms and conditions shall continue in full force and effect.
16. The Customer understands that all funding for this program is managed by SCG and funded by SCG's customers. SCG is not responsible for any costs or damages incurred by the Customer if funding for this program is reduced, eliminated, or otherwise disapproved, adjusted, or modified (in whole or in part) by the State of Connecticut or the State of Connecticut Public Utilities Regulatory Authority.

United Illuminating (UI)

STANDARD TERMS AND CONDITIONS

BASIC UNDERSTANDINGS

UI has a conservation program called Energy Conscious Blueprint which is designed for new construction, major renovation and equipment replacement projects. UI offers to pay incentives to certain customers for including energy efficient measures (each an "Individual Measure" and collectively, the "Measures") in the Customers' facilities. This Agreement provides the terms and conditions for payment of Compliance Incentives, Compliance Plus Incentives and any applicable Bonus Incentives by UI to a Customer under the Energy Conscious Blueprint program. Customer expressly represents and warrants that the execution, delivery and performance by Customer of this Agreement are within such Customer's powers and have been duly authorized by all necessary action on the part of the Customer (or any other person or entity, as applicable). This Agreement constitutes a valid and binding agreement of the Customer, enforceable against such Customer in accordance with its terms. Customer further acknowledges and agrees that it has selected the Installing Vendor and has and will continue to be solely responsible for such selection, which selection was in accordance with any and all legal, governmental or regulatory rules and requirements (whether federal, state, municipal or otherwise) applicable to Customer. Any payments (if any) made by UI to Installing Vendor in connection with Installing Vendor's installation of EEMs hereunder at the Facility and pursuant to Customer's direction as provided for herein, are made by UI solely in its role as administrator of conservation and load management programs approved by the Connecticut Public Utilities Regulatory Authority. UI assumes no responsibility or liability whatsoever with respect to Customer's selection of the Installing Vendor, the Installing Vendor's installation of the EEMs for Customer, and/or any agreement that Installing Vendor and Customer may have entered into in connection with such installation.

1. CUSTOMER ELIGIBILITY

Any UI Commercial, Industrial, Multifamily or Municipal Customer, as defined by UI's rate applicability terms and conditions; or Multi-family complexes greater than four levels; or the State of CT legislature's definition of municipality; are eligible for participation in the Energy Conscious Blueprint program.

2. INDIVIDUAL MEASURE & BONUS INCENTIVE PAYMENTS

- (a) Subject to the terms and conditions contained herein. UI will pay Customer a "Compliance Incentive" for each "Individual Measure" listed in Schedule A, attached hereto and incorporated herein by reference that Customer installs at the Facility according to project plans that have been submitted by Customer to UI and reviewed and approved by UI in its sole discretion in advance of construction and in accordance with Paragraph 6 below (the Specifications); provided however that each Individual Measure, as installed, meets the Energy Efficiency Criteria set by UI for such Individual Measure. The aggregate amount of the applicable Compliance Incentive will be as set forth in Schedule A ("Compliance Incentive Amount"). UI will pay the applicable Compliance Incentive amount by check in accordance with Paragraph 4 below.
- (b) If Customer elects to install all Individual Measures that are applicable to the Facility, as determined by UI in its sole discretion, UI will pay Customer an additional incentive (the "Compliance Plus Incentive Amount") for meeting the Energy Efficiency Criteria applicable to all such Individual Measure areas. The Compliance Plus Incentive Amount will be as set forth in Schedule A ("Compliance Plus Incentive Amount"). UI will pay the applicable Compliance Plus Incentive amount by check in accordance with Paragraph 4 below.
- (c) UI reserves the right in its sole discretion to award "Bonus Incentives" in connection with any measure or group of measures installed at the Facility and which exceed specific energy efficiency requirements set forth in the program.
- (d) The total incentive amount that may be applicable to Customer pursuant to this Agreement (i.e., any Compliance, Compliance Plus and/or Bonus Incentives) may be adjusted in accordance with all of the terms and conditions applicable to the Energy Conscious Blueprint program, including but not limited to the terms and conditions contained in Paragraphs 7, 11 and 12.

3. INCENTIVE AMOUNTS

- (a) Any incentive amounts requested by a Customer in connection with this program may be reduced by UI in its sole discretion and only incentive levels approved by UI in connection with this Agreement are eligible to be earned by the Customer.
- (b) UI reserves the right to modify any program incentives and the associated incentive structure at any time and without any prior notices to Customer.
- (c) In the event that, following execution and delivery of this Agreement, the program is modified or cancelled for any reason this Agreement will continue in effect pursuant to all of its terms and conditions.
- (d) Measures are not eligible for incentives from the Energy Conscious Blueprint program if the Customer has received incentives for that specific ECM under any other UI incentive program.

4. PAYMENT

- (a) UI may at its sole discretion pay to Customer an advance, in an amount to be determined by UI, on the sum of all Compliance Incentive Amounts that Customer is eligible for as set forth on Schedule A upon UI's verification that Customer has begun a continual program of construction or reconstruction (as applicable) of the Facility, but only if the sum of all Compliance Incentive Amounts plus the Compliance Plus Incentive Amount (together the "Energy Conscious Blueprint Incentive Amount") for which Customer is eligible as set forth on Schedule A are greater, in the aggregate, than \$10,000. If the Energy Conscious Blueprint Incentive Amount is, in the aggregate, less than \$10,000, no advance will be paid, and the entire Energy Conscious Blueprint Incentive Amount will be paid as specified in 4(b) below. For the sake of clarity, under no circumstances will UI pay an advance on any Energy Conscious Blueprint Incentive Amount until UI completes a review of and has approved, in its sole discretion, the Specifications (defined below).
- (b) UI will pay in full the balance of each Compliance Incentive Amount within sixty (60) Business Days (i.e., a day for which commercial banks are open for business in Connecticut) after all of the following conditions are met: (1) construction or reconstruction of Customer's Facility has been completed; (2) UI has verified satisfactory installation of the Individual Measure(s), in accordance with Paragraphs 6 & 7 below; and/or (3) Customer has received a "Certificate of Occupancy" from the appropriate local authority. In addition to the foregoing, no incentive payment shall be made by UI to Customer or Installing Vendor (as the case may be) until Customer has executed an acknowledgement in the form attached hereto as Exhibit 2.

United Illuminating (UI)
STANDARD TERMS AND CONDITIONS

- (c) If Customer has an established UI account, Customer may request that incentive payments applicable to it under this Agreement be paid in the form of a credit to such Customer's electric bill by designating the method of payment on the Schedule A at the time of executing this Agreement.
- (d) Any Compliance Plus Incentive or Bonus Incentive Amounts payable to Customer under this Agreement will be paid in full on the same date that the balance of each Compliance Incentive Amount is paid, as specified in Paragraph 3(b) above.
- (e) The Customer understands and acknowledges that UI shall pay the incentives from the Conservation and Load Management Fund ("C&LM Fund"). In the event that all or any part of UI's C&LM Fund is designated by legislative or regulatory action for purposes other than implementation of UI's C&LM programs, and UI determines that the C&LM Fund is insufficient to cover the cost of such programs, UI shall have no obligation to pay any incentives hereunder and shall have no further liability to the Customer. Customer shall not hold UI liable in any way and shall hereby hold UI harmless from and against any and all liabilities, costs or damages incurred by Customer in the event of a program funding reduction or elimination, including but not limited to the insufficiency of the C&LM Fund to cover the cost of C&LM programs as determined by UI.

5. NO TAX LIABILITY

UI is not responsible for any tax liability imposed on the Customer or the Customer's authorized recipient as a result of the incentive payment.

6. INSTALLATION REQUIREMENTS AND REVIEW OF SPECIFICATIONS

- (a) Customer agrees to comply with the steps outlined in Paragraph 7.
- (b) Customer shall provide or cause its Design Professional to provide UI with a copy of the complete and final specifications with respect to the incorporation of the Individual Measure(s) into the design of the Facility ("Specifications"). UI may, in its sole discretion, refuse to approve the Specifications if the Specifications do not adequately provide for the Installation of the Individual Measures. Without limiting the foregoing, Individual Measures and the Specifications related to the same must be consistent with good engineering and energy-efficient design practices, as determined by UI, in its sole discretion. Other specific installation requirements, if any, are as set forth in Schedule A.
- (c) Customer shall supply or cause its Design Professional to supply UI with appropriate paperwork that documents that the construction or installation process with respect to the Individual Measure(s) has been initiated (such as a purchase order, bid document, contract etc., and any other documentation as requested by UI.)
- (d) Customer or Customer's Design Professional agrees to supply UI with appropriate paperwork that documents that the construction or installation process with respect to the Individual Measure(s) has been completed (such as invoices, contract, certificate of occupancy etc., and any other documentation as requested by UI)

7. VERIFICATION OF INSTALLATION

- (a) UI shall not be obligated to pay any Compliance Incentive, Compliance Plus Incentive, or Bonus Incentive Amounts whatsoever unless UI is satisfied, in its sole discretion, that the Individual Measure(s) has (have) been installed in accordance with the Specifications and any specific installation requirements set forth in the Standard Agreement and the Schedule A.
- (b) UI reserves the right to monitor any or all proposed and installed Measures for the purpose of determining the actual value of energy reduction.
- (c) Customer agrees to grant UI access to the Facility for the purposes of monitoring and verifying the installation and function of the Individual Measure(s) prior to UI paying any incentive amount to Customer under this Agreement.
- (d) Customer agrees to grant UI access to the Facility at all reasonable times for the purpose of examining and monitoring proposed and installed Measures. The results of this on-site monitoring will not affect any payments already received by the Customer hereunder, except for such payments that are required to be reimbursed by the Customer pursuant to the terms and conditions contained in this agreement
- (e) Customer understands and agrees that UI reserves the right to decrease any unpaid incentive amounts for which the Customer is eligible hereunder if, based on the results of UI's onsite monitoring and verification, UI determines in its sole discretion that less than the proposed Measure savings are likely to result via the installed Measure.
- (f) In addition to the foregoing, no incentive payment shall be made by UI to Customer or Installing Vendor (as the case may be) until Customer has executed an acknowledgement in the form attached hereto as Exhibit 2.

8. CANCELLATION AND REIMBURSEMENT

- (a) Customer may cancel this Agreement at any time by providing UI with written notice of the same.
- (b) UI may cancel this Agreement immediately and without notice to the Customer if any of the following conditions exist:
 - (i) The Customer fails to sign this Agreement within thirty (30) business days of UI's approval date;
 - (ii) The Customer fails to initiate installation or construction of the project within sixty (60) Business Days of UI's approval date;
 - (iii) The Customer has not submitted to UI a written explanation acceptable to UI in its sole discretion outlining the reasons why the initiation of the construction process has not begun within 60 Business Days of the Approval Date. These situations will be subject to UI review on an individual basis.
 - (iv) The Customer fails to complete the construction of the Facility within two (2) years of UI's Approval Date, or if the Customer fails to install replacement equipment within ten (10) months of UI's Approval Date (as applicable).

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STANDARD TERMS AND CONDITIONS

- (v) The customer is not engaged in a continual program of construction, reconstruction, retrofitting, or refurbishment ("Construction") of the Facility by the end of two (2) years or ten (10) months (in the case of equipment replacement) from UI's Commitment Date (as applicable), and has not submitted to UI a written explanation outlining the reasons why and which explanation is acceptable to UI in UI's sole discretion. These situations will be subject to UI review on an individual basis.
- (c) Upon cancellation of this Agreement by either Party in accordance with this Paragraph 8, Customer will reimburse UI within 30 Business Days of such cancellation in an amount equal to all payments made by UI to Customer under this Agreement.
- (d) If Customer does not install the Individual Measure(s) listed in Schedule A, UI may, in its sole discretion, adjust the Energy Conscious Blueprint Incentive Amount according to the criteria and participation requirements of the Energy Conscious Blueprint program as set forth in this Agreement, including Schedule A.
- (e) If Customer does not install all of the Individual Measure(s) listed in Schedule A, and the Compliance Incentive Amount paid in advance to Customer by UI pursuant to Paragraph 3(a) hereof exceeds the Energy Conscious Blueprint Incentive Amount, then Customer will reimburse UI within 30 Business Days in an amount equal to such excess (the "Reimbursable Funds.")
- (f) All reimbursements will include interest accrued on the Reimbursable Funds at the annual rate of eight percent (8%) from the date that the overpayment is determined by UI to first exist.

9. FINANCING OPTION

- (a) Third party financing for the EEMs to be installed at Customer's Facility pursuant to this Agreement may be available to Customer from a UI designated third party financing provider ("TPFP") provided that Customer's project meets (among other requirements) the following eligibility requirements:
 - (i) The project has a Net Simple Payback Period that does not exceed fifteen (15) years. Net Simple Payback Period is defined in Paragraph 9 section (c) below.
 - (ii) The project is eligible for inclusion in UI's Energy Opportunities program.
 - (iii) The project does not participate in other financing options under Connecticut Energy Efficiency Funds (CEEF) programs administered by UI.
 - (iv) The project is not a federal government or agency project.
 - (v) The project includes only equipment replacements or equipment retrofits (i.e., it does not involve new construction or major renovation).
 - (vi) The Customer is an existing business which has been in operation for three (3) years and qualifies through the TPFP's business credit review.
- (b) Customer acknowledges and agrees that, in addition to the foregoing project eligibility requirements, Customer must apply to the TPFP in order to secure financing by the TPFP for its project (as described herein). The decision by the TPFP to provide (or not provide) financing to Customer in connection with its project is at the sole discretion of the TPFP and Customer acknowledges and agrees that UI is not responsible in any way for any decision by the TPFP to provide, or not to provide, financing for Customer's project. In addition to the foregoing, any and all financing transactions as between the TPFP and Customer in connection with the project are solely as between such parties. UI is not responsible in any way for any and all decisions, acts or omissions of the TPFP in connection with any and all financing transactions as between the TPFP and Customer in connection with Customer's project. Customer hereby agrees to indemnify, defend, and hold harmless, UI, from any and all claims, actions, costs, expense, damages, and liabilities, including reasonable attorney's fees, resulting from or arising out of Customer's decision to seek financing for its project from the TPFP, including but not limited to any and all action or inaction of the TPFP related to the same.
- (c) In the event that Customer receives financing from the TPFP as contemplated and provided for herein, UI may, in its sole discretion, provide an "interest rate buy down" in connection with such TPFP financing. An "interest rate buy down" means an upfront payment provided by UI (through use of CEEF funds) to the TPFP in order to lower the interest rate paid by Customer to the TPFP over time. An interest rate buy down is only available to Customer in connection with TPFP loans that are no less than \$2,000 and no greater than \$100,000. In the event that Customer (i) is eligible for and receives financing for its project from the TPFP pursuant to the TPFP's EO financing program and (ii) UI determines, in its sole discretion, that it will provide an interest rate buy down in connection with such TPFP financing for Customer's project, then Customer will receive 100% of the incentive calculated by UI for the Customer's project and a partial interest buy down or subsidy, which in turn determines the available interest for the project either 4.99%, 2.99%, or 0% loans respectively. The maximum term of TPFP loans for which Customer receives an interest rate buy down from UI shall be (i) the Net Simple Payback Period for the project plus one year or (ii) five years, whichever is less. Net Simple Payback Period is defined as (A) the total cost of Customer's project that is the subject of this Agreement minus the incentive calculated by UI for the project divided by (B) the estimated dollar value of annual energy savings (electric and/or natural gas measures) expected to be experienced by Customer as a result of the project (as calculated by UI).
- (d) Customer may seek additional financing from the TPFP, typically up to a total amount of \$1,000,000. Any projects that exceed \$1,000,000 would be reviewed on a case by case basis. However, financed amounts greater than \$100,000 are not eligible for any interest rate buy down from the CEEF funds. Any financed amounts greater than \$100,000 will be subject to current market interest rates and will be determined by the TPFP.
- (e) Customer may seek financing of its project from any third party financing entity provided, however, that any interest buy down that the CEEF Fund and UI may provide with respect to Customer's project, if at all, shall only be applicable with respect to TPFP financing pursuant to the terms and conditions provided for herein.

10. LIMITATION OF LIABILITY

- (a) Customer shall not be liable to UI for any damages under this Agreement other than for reimbursement of amounts paid by UI. UI's liability under this Agreement shall be limited to paying the incentives specified herein but only as and if such incentives become payable to Customer and only to the extent that such incentives are not subject to repayment as provided for in this Agreement. In no

United Illuminating (UI)
STANDARD TERMS AND CONDITIONS

case shall UI be liable to Customer for any special, indirect, consequential, incidental, punitive or exemplary damages of any kind, including but not limited to loss of use, lost profits, out of pocket expenses by statute, tort or contract, in equity under any indemnity provision or otherwise.

- (b) UI shall not be liable to Customer for any damages in contract or tort or otherwise (including negligence) caused by any activities in connection with this Agreement or in connection with the construction or reconstruction of the Facility, including without limitation the actions or omissions of Customer, Design Professional or any employee, agent, contractor, subcontractor of, or consultant retained by, UI.

11. INDEMNIFICATION

Customer agrees to indemnify, defend and hold harmless, UI, from any all claims, actions, costs, expenses, damages, and liabilities including reasonable attorney's fees, resulting, from death or bodily injury or damage to real or personal property, to the extent caused by the negligence or misconduct of Customer's employees or other authorized agents in connection with Customers activities within the scope of this Agreement, including without limitation, claims arising from Customer's installation and/or maintenance of HVAC units in compliance with current standards for the performance of such units published or recognized by ASHRAE. Customer's duty to indemnify shall continue in full force and effect, not withstanding the expiration or early termination hereof.

12. NO WARRANTIES

- (a) Customer acknowledges and agrees that neither UI nor any of UI's employees or consultants are responsible for assuring that the design, analysis, engineering, and construction or reconstruction of the Facility or installation of any or all of the Individual Measures is proper or complies with any particular laws, codes, or industry standards, including without limitation, the State of CT Energy Code, current standards published or otherwise recognized by ASHRAE, the State of Connecticut, or any other governmental agency or entity.
- (b) Customer understands and agrees that UI does not represent, warrant or guarantee that the installation of any or all of the Individual Measures pursuant to this Agreement will result in any level of energy savings or result in any measurable energy related benefit.

13. EXISTING and NEW SELF-GENERATION

The incentive amount paid by UI to Customer under this Agreement will be determined by UI based on UI's evaluation of the net benefit of the Individual Measure / Measures (as the case may be) for which Customer is receiving an incentive to UI's customers as a whole ("Net Customer Benefit"). Accordingly, UI will establish and reserves the right to reduce the incentive amount in order to reflect the impact of Customer's existing self generation or new self-generation installed after the Effective Date hereof (as the case may be) to reflect the impact of such self-generation on UI's Net Customer Benefit calculation. UI may require Customer to refund to UI all or a portion of the incentive amount paid to reflect the reduced Net Customer Benefit. Any interconnection of new self-generation to the utility grid must comply with UI's then current policies and standards governing such interconnections.

**14. FORWARD CAPACITY MARKET AND CLASS III CREDITS:
ISO-NE CAPACITY PAYMENTS**

By signing this document, and as a condition to receiving a rebate pursuant to this program, the customer acknowledges and agrees that any and all payments, benefits and/or credits associated with or applicable to the customer's participation in the program that is the subject of this Agreement in connection with the ISO New England, Inc. Forward Capacity Market ("FCM") or any existing, successor or replacement markets, (including, but not limited to, any and all transitional FCM credits or payments or any and all other capacity-related credits, payments and/or benefits for which such customer is eligible) shall be deemed as and form capacity payments, credits and/or benefits of The Connecticut Light and Power Company, doing business as Eversource Energy (Eversource), or The United Illuminating Company (UI), as applicable. The customer hereby assigns to Eversource or UI, as applicable, all of its right, title and interest in and to any and all such capacity payments, credits and/or benefits, and agrees to take any and all action, including executing and delivering any and all documentation and/or instruments, as requested by Eversource or UI, as applicable, to evidence the same. FCM means the market for procuring capacity pursuant to ISO-NE Tariff, FERC Electric Tariff No. 3, Section III, Market Rule 1, Section 13, any modifications to the FCM, or any successor or replacement market/capacity procurement process.

15. CLASS III CONSERVATION CREDITS

Any Class III renewable energy credits and/or conservation credits received in connection with this program shall be retained by the Companies pursuant to the laws of the State of Connecticut and/or applicable PURA decision in effect as of the date hereof.

16. PAYMENTS ASSIGNED TO CONTRACTORS

- (a) UI Customers may designate in writing the Customer's installation contractor (facility owner or other) or designated Third Party Financing Provider as the sole recipient of any incentives and/or installation cost reimbursements owed to Customer under this program. Customer's written designation shall also state that Customer acknowledges and agrees that it has no further claim or right, title or interest in and to any such incentives and / or installation reimbursements. The ability to assign payment to contractors shall be limited to Equipment Replacement measures.
- (b) In addition to the requirements set forth in Paragraph 16 (a) above, Customer must request the change in incentive / installation cost recipient by signing the designated area on Schedule A.
- (c) In addition to the requirements set forth in Paragraph 16 (a, b) above, if Customer assigns the incentives and/or installation cost reimbursements to the installing contractor (facility owner or other), Customer must supply or cause its designated recipient to supply UI with a Letter of Acknowledgement and a completed W-9 containing designated recipient's Federal Tax Identification number.
- (d) In addition to the foregoing, prior to the release by UI of any incentive/installation cost reimbursement by UI to the Installing Vendor, Installing Vendor shall execute an acknowledgment in the form attached hereto as Exhibit 1 and Customer shall cause Installing Vendor to execute the same.

United Illuminating (UI)
STANDARD TERMS AND CONDITIONS

17. PUBLICITY OF CUSTOMER PARTICIPATION

UI may, with Customer's consent, publicize Customer's participation in the program, the results of Customer's participation in the program, the value of incentives paid to Customer by UI under the program, and any other information relating to or in connection with Customer's participation in the program.

18. MISCELLANEOUS

- (a) The term of this Energy Conscious Blueprint Standard Agreement will be for ten (10) years from effective date of this Agreement by UI pursuant to Paragraph 3(b) above.
- (b) The Customer understands that UI is willing to pay the Energy Conscious Blueprint program's incentives based on the long-term value of the energy efficient measures to UI.
- (c) If at any time during the term of this Agreement the operation of the Facility is modified so as to diminish the value of the energy efficient measures, UI may require Customer to reimburse UI for all or a prorated percentage of the Compliance Incentive Amounts or the Energy Conscious Blueprint Incentive Amount paid by UI to Customer.
- (d) If at any time during the term of this Agreement, the Customer's self-generation or purchase of electricity from generation sources that bypass the UI transmission and distribution system is increased (beyond such purchase/generation existing at the date of signing this Agreement), UI may require reimbursement by Customer of all or a prorated percentage of the Energy Conscious Blueprint Incentive Amount and any and all installation cost reimbursements paid by UI to Customer as described in this Agreement, including but not limited to Paragraph 13.
- (e) The Customer will require any successor to its interest in the Facility during the term of this Agreement (whether direct or indirect, by sale of the Facility to a third party, by expiration or termination of Customer's lease of the Facility, or by purchase, merger or consolidation of Customer or all or substantially all of its assets by, with or into a third party), by an agreement in form and substance satisfactory to UI, to assume and agree expressly to be bound by the provisions of this Agreement. Failure of Customer to obtain such agreement by the effectiveness of any such succession shall be a breach of this Agreement and shall entitle UI to reimbursement for all or a prorated percentage of the Compliance Incentive Amounts, the Compliance Plus Incentive Amounts, or the Bonus Incentive Amounts paid by UI to the Customer under this Agreement.
- (f) This Agreement, including all schedules attached hereto and any Energy Conscious Blueprint Design Grant Agreement entered into between the parties in conjunction with this Agreement, forms the entire agreement between the parties and supersedes all other communications and representations related to the subject matter hereof.
- (g) If either UI or Customer desires to modify the content of this Agreement, the modification must be in writing and signed by an authorized representative of each party in order for the modification to be enforceable against that party.
- (h) Customer may not assign this Agreement without the written consent of UI. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, personal representatives, successors and assigns.
- (i) Any waiver of any breach of any provisions of this Agreement shall not be a waiver of any subsequent breach of the same or any other provisions of this Agreement.
- (j) All notices shall be in writing and delivered personally or by overnight courier to the addresses of the parties set forth at the beginning of this Agreement. Any such notice shall be deemed given on the date delivered.
- (k) This Agreement shall be governed and construed in accordance with the laws of the State of Connecticut without regard to its conflicts of laws and principles.
- (l) All requirements, terms, conditions and provisions of this Agreement which by their nature are incapable of being fully performed within the period of performance hereof shall survive cancellation, termination or expiration of this Agreement, including but not limited to any and all reimbursement obligations of Customer hereunder.
- (m) The relationship of the parties is that of independent contractors. None of the provisions of this Agreement is intended to create nor will be construed to create an agency, partnership or employment relationship between or among the parties. No party or any of its officers, members, or employees, will be deemed to be the agent, employee, or representative of another party.