APPENDIX C

Attachments for Specific Programs

STATE OF VERMONT – PUBLIC SERVICE BOARD
CONTRACT FOR PERSONAL SERVICES
AS ENERGY EFFICIENCY UTILITY

State Contract # 0337956

Printed on February 15, 2000

1. **Parties**
This *State* Contract for Services is entered into by and between the *State* of Vermont, Public Service *Board* and Vermont Energy Investment Corporation ("*VEIC*" or "*Contractor*"). In consideration of the mutual promises and agreements hereinafter set forth, the parties agree as follows:

2. **Definitions**
When capitalized and italicized, whether in the singular or plural, the following words and phrases shall have the following meanings in constructing this *Agreement*.

A. ***Agreement*** means this *State* Contract for Services and all Attachments hereto, as all may be amended from time to time.

B. ***BED*** means the City of Burlington Electric Department.

C. ***Board*** means the Vermont Public Service *Board* identified in 30 V.S.A. §3.

D. ***Contract Administrator*** means the person or entity selected and retained by the *Board*, to manage, monitor and enforce this *Agreement* on behalf of and pursuant to the instructions of the Board.

E. ***Contractor*** means Vermont Energy Investment Corporation or *VEIC*.

F. ***Core Programs*** means the statewide energy efficiency programs approved in the *Order*, as revised in Paragraph 3.A of Attachment A, to be implemented by the *Contractor* serving as the Vermont Energy Efficiency Utility.

G. ***Customized Software*** means any computer software that is not readily available for purchase and that is modified, developed, and/or written by the *Contractor* or its subcontractor(s) specifically for the purpose of performing the *Work*.

H. ***Department*** or ***DPS*** means the Vermont Department of Public Service.

I. ***EEU*** means the Energy Efficiency Utility identified in the *RFP*, and in the *MOU*.

J. ***Fiscal Agent*** means the person or entity selected and retained by the *Board* to receive funds for the *EEU* from utility companies, those funds having been paid to utility companies by electricity consumers in Vermont for the provision of *Core Programs* as directed by *Board* order or rule (such programs to be implemented by the *EEU*), and to disburse those funds under the direction of the *Board*.

K. ***MOU*** means the Memorandum of Understanding approved by the *Board* in Docket No. 5980 and attached to the *Order* as Appendix A.

L. ***Order*** means the *Board's* Order of September 30, 1999 in Docket No. 5980.

M. ***RFP*** means the *Board's* Request for Proposals for a Vermont Energy Efficiency Utility and Appendices released October 19, 1999, as amended by the *Board* on October 22, October 29, and November 22, 1999.

N. ***Response*** means *VEIC's* response to the *RFP* dated November 30, 1999, titled "SavEnergy: A Proposal for Vermont's New Energy Efficiency Utility," as amended on January 10, 2000.

O. ***State*** means the *State* of Vermont including its agencies and boards.

P. ***VEIC*** means Vermont Energy Investment Corporation, a Vermont non-profit corporation with its principal offices at 255 South Champlain Street in Burlington, Vermont and whose Vermont Tax Identification Number is 19361.

Q. ***WEC*** means Washington Electric Cooperative, Inc.

R. ***Work*** means the Scope of *Work* identified in Paragraph 3 and in Attachment A. The *Work* is intended to be the Scope of *Work* that is also identified in Article VII A.1 of the *State*'s Agency of Administration's Bulletin No. 3.5.

3. **Scope of *Work***

The *Contractor* shall serve as and perform the duties of the *EEU*. The *Contractor* shall furnish all necessary personnel, office space, equipment, materials, services, licenses, transportation, and other necessary resources (except as is otherwise provided herein) to accomplish the Scope of *Work* as set forth in Attachment A. Changes to the *Work* may be made only by written agreement of both the *Board* and the *Contractor*.

WEC is directly administering a residential new construction program and a residential retrofit program within its service territory. *BED's* proposal for self-implementation of some programs is currently before the *Board*. It is possible that in the future the *Contractor* may become responsible for direct implementation of energy efficiency programs that *BED* and *WEC* are now responsible for implementing in their own service territories. In such case, the parties agree that an amendment to this *Agreement* may be necessary at that time.

4. **Standards of Performance**

The *Contractor* shall perform the *Work* consistent with the requirements established in Attachment B hereto, any applicable professional standards, and to the reasonable satisfaction of the *Board* as detailed in Attachment C. Unless otherwise directed or permitted by the *Board* or its designated representative, the *Contractor* shall perform the required *Work* consistent with Sections A through I of the *Response* (Attachment G), as modified in Attachment A and in compliance with the requirements of the *MOU*. The *Contractor* shall

coordinate its performance of the *Work* as appropriate, or as directed by the *Board*, with the *Contract Administrator*, the *Fiscal Agent*, the *DPS* and other entities.

5. **Compensation**
In consideration of the services to be performed by the *Contractor*, the *Board* shall authorize *Contractor* to receive payments for satisfactory performance of the *Work* in accordance with the payment provisions specified in Attachment B hereto. The maximum amount payable to *Contractor* over the life of this *Agreement* is $ 28,381,083 (as shown in Attachment D) plus *BED*'s customers' contribution to the *EEU* for each year after 2000, as set by future *Board* determinations. This maximum amount is inclusive of all eligible costs, expenses and earned performance incentives. The parties agree that this amount is a cap, not a fixed price, and that this cap shall be reduced by the total dollar value of the invoices submitted by Vermont electric distribution utilities, and approved by the *Contract Administrator*, for the provision of demand-side management services, otherwise known as DSM services, from January 1, 2000 to March 15, 2000.

6. **Term of *Agreement***
The Term of this *Agreement* shall begin on March 1, 2000 and end on December 31, 2002, unless amended or terminated earlier in accordance with the provisions of this *Agreement*. The *Board*, in its discretion, may, with the *Contractor's* concurrence, extend this *Agreement* for up to thirty-six (36) additional months upon the giving of written notice thereof to the *Contractor* not less than 180 days before December 31, 2002. The *Contractor* shall provide a written response to the *Board's* request to extend this *Agreement* not later than 150 days before December 31, 2002. Compensation for the *Work* to be provided pursuant to any extension of this *Agreement* shall be agreed upon in writing between the *Board* and the *Contractor*. If said compensation cannot be agreed upon 60 days prior to the end of the initial term of this *Agreement*, it is agreed that this *Agreement* will expire on December 31, 2002, unless extended on a month-to-month basis as described in the following paragraph. Under no circumstances does the *Contractor* have the right to compensation for investments or expenditures undertaken in anticipation of an extension of this *Agreement*.

If the *Board* elects not to extend this *Agreement* for up to thirty-six additional months, or the *Contractor* declines to agree to such extension of this *Agreement*, or compensation for the 36-month extension cannot be agreed upon no later than 60 days prior to the expiration of this *Agreement*, this *Agreement* may be extended at the *Board's* sole discretion on a month-to-month basis, for up to four months, to provide for the continuation of the performance of the *Work* while the *Board* selects a new entity to serve as the *EEU*, and the transition to the new entity is accomplished. In such case, the *Contractor* shall be paid for services provided during the extension period pursuant to the terms set forth in Paragraph 2 of Attachment B; any such payments shall not be subject to the cap on total compensation stated in Paragraph 5 of the main body of this *Agreement*.

7. **Prior Approvals**
Neither this *Agreement*, nor any amendment to it, is binding on either party until it has been approved by the Vermont Attorney General's Office and the Vermont Secretary of Administration.

8. Amendment

No changes, modifications, amendments or extensions in the terms and conditions of this *Agreement* shall be effective unless reduced to writing and signed by the duly authorized representatives of the *State* and the *Contractor*.

9. Termination of *Agreement*

A. Termination at Will

The *Board* may in its discretion terminate this *Agreement* at any time without good cause upon giving ninety (90) days written notice to *Contractor* prior to said termination date. *Contractor* may terminate this *Agreement* without good cause upon giving two hundred seventy (270) days written notice to the *Board* prior to said termination date.

B. Termination For Cause

In the event that *Contractor* materially breaches the terms of this *Agreement*, the *Board* may without prejudice to any of its other legal remedies terminate this *Agreement* upon sixty (60) days written notice to *Contractor* and be relieved of the payment of any amount due to *Contractor* for *Work* performed prior to the date of such termination, except as provided in subparagraph "D" below. Alternatively, the *Board* may, in its sole discretion, provide *Contractor* with time to cure any breach.

Contractor's management and financial capability, including, but not limited to, audit reports and performance, may be cause for a decision to terminate this *Agreement* pursuant to this subparagraph.

In the event this *Agreement* is terminated for cause, the *Board* may proceed in any manner it deems proper. *Contractor* shall be compensated for satisfactory services rendered and eligible costs and expenses as provided in subparagraph "D" below; however, in its discretion, the *Board* may deduct from any sum due to *Contractor* under this *Agreement*, all expense, damage or other harm incurred by the *Board* or its agents as a result of *Contractor's* failure to perform its obligation under this *Agreement*.

C. Termination – Bankruptcy

In the event proceedings in bankruptcy are commenced against the *Contractor*, it is adjudged bankrupt, or a receiver is appointed, the *Board* may terminate this *Agreement* by giving five days notice in writing to the *Contractor*.

.

D. Responsibility of Parties Upon Expiration or Termination of *Agreement*

Upon expiration or termination of this *Agreement*, *Contractor* shall provide reasonable transition assistance as requested by the *Board* to the *Board* and any entity designated by the *Board* to ensure that the functions of the *EEU* are continuously carried out without interruption. In such event, *Contractor* agrees to use all reasonable efforts to mitigate its expenses and obligations hereunder.

Upon termination or expiration of this *Agreement*, the *State* shall pay the *Contractor*, pursuant to the compensation terms set forth in Attachment B to this *Agreement*, for all satisfactory services rendered and eligible costs and expenses prior to the notice of termination and until the end of the termination notice period. The *State* shall also pay *Contractor* for all reasonable services rendered and costs and expenses incurred by the *Contractor* subsequent to termination , but only for reasonable transition assistance which could not, by reasonable efforts of the *Contractor*, have been avoided.

All records and data related to *Work* performed under this *Agreement* in the possession of the *Contractor* and its subcontractor(s) shall be made available and turned over to the *Board* or its designated representative upon the expiration or termination of the *Agreement*, at the *Board's* or the *Contract Administrator's* request. These transfers shall be accomplished no later than ten (10) working days after the dates of notification to the *Contractor* to transfer the data and documents. However, the *Contractor* and its subcontractor(s) must be provided with any records and data that it will need to undertake any transition assistance after these records and data have been turned over to the *Board*.

10. Committed Incentive Payments

It is expected that, on the expiration or termination date of this *Agreement*, the *Contractor* will have outstanding contracts for customer incentive payments. The *Contractor* shall be relieved of those obligations, and responsibility for them will be assigned to the new entity serving as the *EEU*.

11. Notifications Required Under this *Agreement*

Correspondence and transmittals of formal notifications, requests, reports or other documents concerning this *Agreement*, to be effective, shall be addressed to the respective persons as follows:

Contractor	Beth Sachs Executive Director, *VEIC* 255 South Champlain Street Burlington, VT 05401-4717 802-658-6060 Fax 802-658-1643
Contract Administrator	Michael Wickenden 446 Tenney Hill Road Hyde Park, VT 05655 802-888-6231 Fax 802-888-3365

The *Board* may change its contact person at any time upon written notice to the *Contractor*. The *Contractor's* contact person shall not be changed without written approval from the *Contract Administrator*, which approval shall not be unreasonably withheld. Each submittal to be approved under this *Agreement* shall be transmitted to the *Contract Administrator*.

12. Reporting Requirements

The *Contractor* shall provide progress reports to the *Board*, *Contract Administrator*, *Fiscal Agent*, *DPS* and any other entity designated by the *Board* according to the schedule, formats, information and data, and other requirements set forth in and developed pursuant to Attachment A to this *Agreement*. The *Contractor* shall work cooperatively with the *Board*, the *Contract Administrator*, the *Fiscal Agent*, the *DPS* and any other entities designated by the *Board* to develop appropriate formats for the *EEU's* required reports under this *Agreement*. All written reports must be printed using both sides of the paper.

13. Insurance

Before commencing *Work* on this *Agreement*, the *Contractor* shall provide Certificates of Insurance to show that the following minimum coverages are in effect. It is the responsibility of the *Contractor* to maintain current Certificates of Insurance on file with the *State* through the term of this *Agreement*.

Workers Compensation: With respect to all operations performed under this *Agreement*, the *Contractor* shall carry workers compensation insurance in accordance with the laws of the *State*.

General Liability and Property Insurance: With respect to all operations performed under this *Agreement*, the *Contractor* shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises – Operations
Independent Contractors' Protective
Products and Completed Operations
Personal Injury Liability
Contractual Liability.

The policy shall be on an occurrence form and limits shall not be less than:

$5,000,000 Per Occurrence
$5,000,000 General Aggregate
$1,000,000 Products/completed products aggregate
$50,000 Fire Legal Liability.

The *Contractor* shall require all subcontractors to carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises – Operations
Independent Contractors' Protective
Products and Completed Operations (where appropriate)
Personal Injury Liability
Contractual Liability.

The policy shall be on an occurrence form and limits shall not be less than:

$1,000,000 Per Occurrence
$1,000,000 General Aggregate
$1,000,000 Products/completed products aggregate (where appropriate)
$50,000 Fire Legal Liability.

Automotive Liability: The *Contractor* shall carry automotive liability insurance covering all motor vehicles, no matter the ownership status, used in connection with this *Agreement*. Limits of coverage shall not be less than $1,000,000 combined single limit.

Professional Liability: Before commencing *Work* on this *Agreement* and throughout the term of this *Agreement*, *Contractor* shall procure and maintain professional liability insurance for any and all services performed under this *Agreement*, with minimum coverage of $5,000,000.

No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the *Contractor* for the *Contractor's* operations. These are solely minimums that have been set to protect the interests of the *State*.

14. Independent *Contractor*-Relationship to *Board*

When performing the *Work*, the *Contractor* and its agents and employees shall be acting in an independent capacity and not as officers, employees or agents of the *Board* or *State*. Except as specifically provided herein, neither party, nor its employees, agents, or representatives, shall have any right, power or authority to act or create any obligation, express or implied, on behalf of the other.

In order to preserve the *Board's* quasi-judicial role, the *Contractor* shall abide by ex parte requirements substantially similar to Vermont Public Service Board Rule 2.201(E). Discussions that are administrative in nature (including those related to administration of this *Agreement*), or not related to pending contested case proceedings or issues or disputes reasonably expected to be contested before the *Board*, shall not be subject to the ex parte restrictions. The limitation on communications set forth in this Paragraph is not applicable to the *Contractor's* communications with the *Contract Administrator* and/or *Fiscal Agent*. Copies of any reports or other communications from the *Contractor* to the *Board* or vice versa shall be available to the public upon request, except to the extent that the reports or communications are exempt from the public access requirements of 1 V.S.A. §§ 315 through 320.

15. Indemnification

The *Contractor* shall indemnify, defend and hold harmless the *State* and its officers and employees from liability and any claims, suits, judgments, and damages arising as a result of the *Contractor's*, its employees' or its subcontractors' acts and/or omissions in the performance of this *Agreement*.

16. Assignment or Sublet of Contract

Contractor may assign or sublet performance of the *Work* without the approval of the *Board*, except that replacement of the key organizations Optimal Energy, Inc., or Conservation Services Group, or of the key team member(s) enumerated in Attachment F to this *Agreement* may only be made after prior written notification of the *Contract Administrator* and the *Board*. The *Board* reserves the right to reject any substitution of key personnel or the key organizations identified above within 30 days after notification.

For the purpose of administering this *Agreement*, the *Contractor* shall provide the *Contract Administrator* with a copy of any executed subcontract or subcontractor contract which is related to the *Work* and which exceeds $10,000 in amount.

The performance of the *Work* shall be the sole responsibility of and under the sole control, management, and supervision of the *Contractor*. The *Contractor* shall be responsible for all matters involving any subcontractor engaged under this *Agreement*, including contract compliance, performance and dispute resolution between itself and subcontractor(s). *Contractor* shall be responsible for all actions of subcontractor(s) and all payments to subcontractor(s). Failure of subcontractor(s) to perform for any reason does not relieve *Contractor* of responsibility for the competent and timely performance of the *Work*. The *State* shall have no responsibility for subcontractor(s)' compliance, performance, or dispute resolution hereunder. *Contractor* shall include in all subcontract agreement(s) a tax certification in a form that is substantially identical to that required for *Contractor* by Attachment B of this *Agreement* as well as all other notices to and requirements of subcontractor(s) required by this *Agreement*.

17. Records Available for Audit and Inspection

The *Contractor* shall maintain all books, documents, payroll papers, accounting records and other evidence pertaining to the costs it incurs under this *Agreement*, in accordance with Generally Accepted Accounting Principles consistently applied, and make them available at reasonable times during the period of this *Agreement* and for three (3) years thereafter for inspection by the *Board*, *Contract Administrator*, *Fiscal Agent*, *DPS* or any other authorized representative of the *State*, or agents of the federal government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit finding involving the records has been resolved. *Contractor* shall include in its subcontract(s) a provision that states that the subcontractor(s)' records and personnel related to the *Work* shall be subject to audit and examination during the term of this *Agreement* and for a period of three years after final payment under the relevant subcontract(s). *Contractor* shall cooperate with the *Contract Administrator* and *Fiscal Agent* to develop a standard format and documentation for information and records and a process to implement the requirements of this Paragraph.

The fact that such inspection or monitoring is undertaken shall in no way relieve the *Contractor* of its obligations to properly perform its duties in accordance with this *Agreement* nor from *Contractor's* full responsibility and liability for damages or loss caused by *Contractor*, its subcontractor(s), employees or agents. *Contractor's* obligations under this

Paragraph shall be continual and shall not be affected by the *Contract Administrator's* or *Fiscal Agent's* acceptance of an invoice from *Contractor*.

18. Inspection of *Work* by *Board*

The *Board*, by its *Contract Administrator*, *Fiscal Agent*, or any other authorized representative, and the *DPS* shall have the right at all reasonable times, to inspect, monitor, or otherwise evaluate the *Work*. The *Contractor* shall provide the above entities with any relevant information requested and shall permit access to its premises, upon reasonable notice, during normal business hours for all relevant purposes including, but not limited to, interviewing employees (including those of subcontractor(s)) and inspecting and/or copying such books, records, accounts, work papers, equipment and products, and any and all other materials that may be relevant to *Contractor's* performance of the *Work*. *Contractor* shall include in its subcontract(s) a provision that indicates that the subcontractor(s)' records, information, equipment, personnel and all relevant materials related to *Work* performed under this *Agreement* shall be subject to inspection during the term of this *Agreement*. *Contractor* shall cooperate with the *Contract Administrator*, *Fiscal Agent*, *DPS*, or other authorized representative designated bythe *Board* to develop the process and requirements to implement the requirements of this Paragraph.

The fact that such inspection or monitoring is undertaken shall in no way relieve the *Contractor* from its obligations to properly perform its duties in accordance with this *Agreement* nor from *Contractor's* full responsibility and liability for damages or loss caused by *Contractor*, its subcontractor(s), employees or agents.

19. Ownership of Data, Records and Intellectual Property

A. Data

All data obtained by *Contractor* or any of its subcontractor(s) in the course of performing the duties outlined in this *Agreement* shall be the property of the *State* and available to the *Board* and its designated representatives for the oversight of this *Agreement*.

B. *Work* Product

All products of the *Contractor's* and its subcontractor(s)' *Work* including logos, trademarks, service marks, data, communications and records originated, developed or prepared by the *Contractor* or its subcontractor(s), or jointly by the *Contractor*, subcontractor(s), and the *Board* or its agents pursuant to this *Agreement*, including but not limited to papers, outlines, drawings, sketches, art work, plans, photographs, specifications, estimates, reports, charts, surveys, survey results, computer databases and spreadsheets and other similar documentation, and any *Work* product determined by the *Board* to be necessary to the success of the programs approved for implementation by the *EEU* shall be delivered to and shall become the exclusive property of the *State* and may be copyrighted by the State. The preceding sentence shall not apply to *Customized Software*, *Contractor's* and its subcontractor(s)' administrative communications, and attorney-client communications between the *Contractor* and its subcontractor(s) and its

attorneys. Other than *Customized Software*, *Contractor* and its subcontractor(s) may not copyright or resell the above *Work* product.

C. Equipment and Materials Provided by or for Use by *State*

All property, equipment or materials purchased directly by the *State*, or furnished to the *Contractor* by the *State*, under this *Agreement* is provided on a loan basis only and remains the sole property of the *State*. Property or equipment purchased by *Contractor* to perform this *Agreement* shall be the sole property of the *Contractor* unless specified otherwise in this *Agreement*.

Contractor agrees that all products and services used to perform this *Agreement*, including computer software, hardware and program products other than *Customized Software*, must be currently manufactured and available for general sale, lease or license on the date of consummation of or during the term of this *Agreement*.

In addition, during the term of this *Agreement*, the *State* reserves the right to use any of the equipment purchased and/or materials or programs developed by the *Contractor* or any of its subcontractor(s) to perform this *Agreement*, excluding equipment and/or material in the possession of the *Contractor* or any of its subcontractor(s) prior to the execution of this *Agreement*, and also excluding equipment, materials or programs purchased by the *Contractor* that *Contractor* uses jointly in connection with the *Work* and with *Contractor's* other activities.

The parties agree that the *Contractor* shall capitalize certain equipment and software (such capitalized costs to be amortized on a straight-line basis in accordance with Generally Accepted Accounting Principles consistently applied) purchased or placed in service solely for purposes of carrying out the *Work*, and that the amortization period for this equipment and software will end on December 31, 2002. Upon termination of this *Agreement* prior to December 31, 2002, the *State* shall pay the *Contractor* for any of this capitalized equipment or software at its then book cost (original cost less accumulated amortization).

Customized Software shall remain available for use by the *State* for the entire term of this *Agreement*, and may, at the *State's* discretion, upon expiration or termination of this *Agreement* be retained in perpetuity via a licensing agreement provided by *Contractor* and/or its subcontractor(s) without charge for use in performance of the functions of the *EEU* within the *State*.

D. Research Reports or Similar Publications

Any research report, conference presentation, journal paper or similar other publication prepared or released in written form by the *Contractor* or any of its subcontractor(s) that identifies the *EEU* or relies on data acquired from the *Contractor's* or its subcontractor(s)' performance of this *Agreement* shall be reviewed and approved by the *Contract Administrator* prior to release. The *Contract Administrator* shall not unreasonably withhold or delay such approval.

E. Extension to Subcontractor(s) and Others
Contractor shall obtain written statements from anyone it employs or contracts with to perform the *Work* that they understand and agree to be bound by the terms of this Paragraph. The *Contractor* shall obtain a separate Certificate of Acknowledgement, signed by any subcontractor who has ownership rights to *Customized Software* referenced in this Paragraph, stating that it shall comply with the terms of this Paragraph, and *Contractor* shall provide a copy of such Certificate to the *Board*.

F. Paragraph 19 Survives Expiration or Termination of This *Agreement*
The terms of Paragraph 19 shall continue in effect after the expiration or termination of this *Agreement*.

20. Permits, Laws, Regulations and Public Ordinances
Contractor shall secure and pay for all permits and licenses required to perform the *Work*, shall comply with all applicable federal, *State* and local laws, regulations, and ordinances governing the performance of the *Work*, and shall indemnify, defend, and save the *State* harmless from any and all liability, fine, damage, cost and expense arising from *Contractor's* failure to do so.

21. Conflict-of-Interest Provision
Contractor and its subcontractor(s) may engage in business activities, other than those described directly below, as long as these activities do not create a conflict of interest with the performance of the *Work*. *Contractor* also affirms that it, its applicable employees and subcontractor(s) shall promptly and fully inform the *Board* of any business activities and/or relationships which any person, fully acquainted with the circumstances, could reasonably conclude might unfairly disadvantage another party, and agree that they shall abide by the *Board*'s reasonable determination as to whether such activities or relationships fall within the terms of this Paragraph.

Contractor affirms that neither it, nor any of its applicable personnel or subcontractor(s), have or presently expect any beneficial, contractual or business relationship with the *Contract Administrator* or *Fiscal Agent* that will be directly affected by the *Contractor's* performance of the *Work*. *Contractor* further affirms that it and its applicable personnel and subcontractor(s) shall not develop, pursue, or confirm any such beneficial, contractual, or business relationships with the *Contract Administrator* or the *Fiscal Agent* throughout the term of this *Agreement*, and for 6 months thereafter, without the written permission of the *Board*.

The *Contractor's* subcontractor(s) may work for distribution utilities, the *DPS*, or other parties that appear in proceedings before the *Board*. The *Contractor* shall require its subcontractor(s) to disclose to the *Contractor*, on an on-going basis throughout the term of their contracts with the *Contractor*, any contracts they enter into with any distribution utilities, the *DPS*, or other entities that appear in proceedings before the *Board*.

22. Legislative Testimony

The *Contractor* may provide legislative testimony on energy efficiency issues as the *EEU*. It is anticipated that the *Contractor* may also provide legislative testimony on energy efficiency and other issues in its capacity as *VEIC*. In order to prevent confusion regarding whether legislative testimony is being presented on behalf of the *EEU* or on behalf of *VEIC*, the parties agree to the following guidelines:

A. Whenever the *Contractor* is requested to provide legislative testimony in its capacity as the *EEU*, it shall notify the *Contract Administrator*. This notification shall include the name of the Committee requesting the testimony, the date and time the testimony is scheduled, and the specific topic to be discussed. Following the hearing, the *Contractor* shall provide the *Contract Administrator* with a copy of any written materials specifically developed for, and handed out at, any appearance;

B. Any person testifying at the legislature on behalf of *VEIC* or the *EEU* shall state on the record at the beginning of his/her testimony which entity he/she is representing;

C. The *EEU's* Managing Director shall not provide legislative testimony on behalf of *VEIC*. *VEIC*'s Executive Director shall not provide legislative testimony on behalf of the *EEU*; and

D. Any person testifying at the legislature on behalf of *VEIC* or the *EEU* shall not provide testimony that would, in the reasonable judgment of the *Contract Administrator*, diminish the *Contractor's* effectiveness as the *EEU*.

23. Appearance in *Board* Proceedings

The *Contractor* may not intervene as *VEIC* in any *Board* proceedings that directly relate to the *EEU's* operation. With the permission of the *Contract Administrator*, the *Contractor* may participate as *VEIC*, or provide expert testimony as *VEIC* on behalf of other parties, in *Board* proceedings not directly related to the *EEU's* operation. The *Contractor* may request guidance from the *Contract Administrator* regarding whether a particular proceeding is directly related to the *EEU's* operation.

The *Contractor* may be required by the *Board* (on its own initiative, or at the request of a party) to provide expert testimony in *Board* proceedings, although such testimony is expected to be required infrequently, if at all.

24. Retail Sales Restriction

Contractor shall be independent from any Vermont electric or gas utility, and from any other agency of the *State*, and from any entity providing electric power to Vermont's distribution utilities during the term of this *Agreement*. This does not preclude the *Contractor* from entering into contracts under which either party would provide energy efficiency-related services. Any such contract or set of contracts constituting a commitment of $5,000 of more in any calendar year shall be entered into only after prior notice to, and opportunity to object by, the *Contract Administrator*.

Contractor further agrees that it shall not sell electric energy at retail in the *State* prior to the expiration or termination of this *Agreement*, nor for a period of one year thereafter. The *Contractor* shall require its subcontractor(s) to agree not to sell electric energy at retail in the *State* prior to the expiration or termination of the subcontractor(s)' contract with the *Contractor*, nor for a period of one year thereafter. *Contractor* shall require its subcontractor(s) to agree in writing that subcontractor(s):

(i) shall not disclose non-public Vermont market information to any affiliate of subcontractor(s) which, during the term of the subcontractor(s)' contract with the *Contractor* and for a period of one year thereafter, is engaged in selling, or may sell, electric energy at retail in the *State* ("Competitive Affiliate"); and

(ii) shall not utilize any employee of such Competitive Affiliate to perform services under this *Agreement*.

25. Use of *EEU*'s Name

The *EEU*'s official name shall be "SavEnergy" or such other name as the *Board* may approve after consultation with the *Contractor*. This is the name that shall appear on all *EEU* marketing materials. The *Contractor* and its subcontractor(s) shall use only the official name of the *EEU* when providing *EEU* services and making public representations on behalf of the *EEU*. The name(s) of the *Contractor's* firm, subcontractor(s) firm, or their affiliate(s)' firms shall not appear on any *EEU* marketing materials or other *EEU* documents provided to Vermont ratepayers or trade allies.

The *Contractor* or its subcontractor(s) may use the official *EEU* name for *EEU* purposes only, except that they will not be precluded from including their work with the *EEU* in their individual companies' project lists, or from describing their work with the *EEU* to other potential employers. The preceding paragraph is intended to prevent confusion among Vermont ratepayers and trade allies: the *EEU* shall have one name and one identity that will be the only name and identity used by individuals and firms when they are providing *EEU* products and services.

26. No Gifts or Gratuities

Contractor, its employees, agents or subcontractor(s) shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the *State*, the *Contract Administrator* or the *Fiscal Agent* during the term of this *Agreement*.

27. Fair Employment Practices and American Disabilities Act

Contractor agrees to comply with the requirements of Title 21, V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. *Contractor* shall also ensure, to the full extent required by the Americans With Disabilities Act of 1990, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the *Contractor* under this *Agreement*. *Contractor* further agrees to include this provision in all of its subcontracts.

28. Force Majeure

Either party's performance of any part of this *Agreement* shall be excused to the extent that it is hindered, delayed or otherwise made impractical by reason of flood, riot, fire, explosion, war, acts or omissions of the other party or any other cause, whether similar or dissimilar to those listed, beyond the reasonable control of the non-performing party. If any such event occurs, the non-performing party shall make reasonable efforts to notify the other party of the nature of such condition and the extent of the delay and shall make reasonable, good faith efforts to resume performance as soon as possible.

29. Severability

If any provision of this *Agreement* shall be adjudged to be invalid, then that provision shall be deemed null and void and severable from the remaining provisions, shall in no way affect the validity of this *Agreement*, and the remaining provisions shall be integrated so as to give the greatest effect thereto.

30. Survival of Requirements

Unless otherwise authorized in writing by the *State*, the terms and conditions of this *Agreement* shall survive the performance period and shall continue in full force and effect until the *Contractor* has completed and is in compliance with all of the requirements hereof. Any confidentiality requirements set forth in or developed pursuant to this *Agreement* and any software licensing agreement contemplated under Paragraph 19.C of this *Agreement* shall continue after the expiration or termination of this *Agreement* in perpetuity.

31. Waiver

Failure or delay on the part of either party to exercise any right, power, privilege or remedy hereunder shall not constitute a waiver thereof. A waiver of any default shall not operate as a waiver of any other default or of the same type of default on a future occasion.

32. Applicable Law

This *Agreement* shall be governed by the laws of the *State* of Vermont.

33. Entire *Agreement*

This *Agreement* with the following Attachments represents the entire *Agreement* between the parties relating to the subject hereof. All prior agreements, representations, statements, negotiations, and understandings are merged herein and shall have no effect. This *Agreement* consists of the following documents totaling 478 pages listed in order of precedence from highest to lowest:

Table of Contents: (6 pages)
Main Body of the *Agreement* : (15 pages)
Attachment A: Scope of *Work* (13 pages)
Attachment B: Compensation, Payment, and Performance Provisions (7 Pages)
Attachment C: Performance Incentive Mechanism (15 pages)
Attachment D: Calculation of Total Cap (1 page)
Attachment E: Estimated Budget as of 3/1/00 (1 page)

Attachment F: List of Key Personnel (1 page)
Attachment G: Sections A – I of the *Response* (366 numbered pages)
Attachment H: The *RFP*, excluding its Attachments (53 pages)

The above Attachments are hereby incorporated into this *Agreement* and made a part hereof for all purposes. If there is any conflict between the terms of these documents, the order of precedence indicated above shall be controlling, except that the Table of Contents shall have no substantive effect.

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT.

By the STATE OF VERMONT	**by Vermont Energy Investment Corporation**
Date: _____	Date: _____
Signature: _____	Signature: _____
Name: Michael H. Dworkin	Name: Beth Sachs
Agency: Public Service Board	Fed. ID #: 03-0304418

ATTACHMENT C

PERFORMANCE INCENTIVE MECHANISM

1. Overview

The *Contractor* and the *Board* agree that a portion of payments to the *Contractor* shall be based on the *Contractor*'s performance in achieving the *Board*'s objectives and successfully delivering the *Core Programs*. The *Contractor* can earn up to **$795,000** in performance incentives for successfully meeting program performance indicators that are defined in this Attachment. The *Contractor* shall submit annual claims for Performance Awards, according to the schedule, documentation, and verification processes outlined in this Attachment. The *Contract Administrator* will verify the *Contractor*'s claim for Performance Awards and make a recommendation to the *Board*; the *DPS* will provide input for specified indicators as described in this Attachment (see Paragraph 4).

Payment of any earned Performance Awards (up to a maximum of $795,000) shall be made at the conclusion of this *Agreement*. Payment will be made in two installments: (1) January 15, 2003, for any Performance Awards earned for years 2000 and 2001; and (2) June 2, 2003, for any Performance Awards earned for the year 2002.

2. Performance Awards: Categories

The *Contractor*'s performance incentive mechanism is designed to reward superior performance by the *Contractor* in the overall administration and delivery of *Core Programs* and includes three major categories or types of incentives, with specific performance indicators that will govern the award of the incentives:

A. Program Results Incentives
Program Results Incentives reward the *Contractor* for successfully accomplishing aggressive targets for direct market impacts (e.g., electricity savings, lifetime resource benefits, cost savings, market penetration of specific technologies or equipment, and successful leveraging of ratepayer dollars).

B. Market Effects Incentives
Market Effects Incentives reward the *Contractor* for demonstrated significant market transformation that has been achieved through the *Work*.

C. Activity Milestone Incentives
Activity Milestone Incentives reward the *Contractor* for achieving milestones that involve exemplary performance for rapid start-up and/or infrastructure development (e.g., program tracking and information management systems), timely and smooth transition to statewide programs from existing utility efforts, major improvements to existing *Core Programs* or successful development, introduction, and delivery of new *Core Programs*.

This performance incentive mechanism is intended to reward the *Contractor* for successfully accomplishing cross-program activities and for achieving superior performance across the portfolio of *Core Programs* as well as for achieving specific objectives for individual *Core Programs*.

3. Performance Awards: Overall Weights

Overall weights and dollars allocated to the various types of performance indicators are shown in Table C-1 below.

Table C-1: Performance Awards: Categories, Weights, and Awards

Performance Indicator	Total Amount of Award	Overall Weight	Amount of Total Award Eligible to be Earned In Each Year of the *Agreement*		
			2000	2001	2002
1. Program Results Incentives					
A. Annual Electricity Savings[1]	$198,750	25%	Total	amount earned	across
				all three years	
B. Electricity Savings for Projects under Development	$39,750	5%	$0	$0	$39,750
C. Total Resource Benefits[2]	$119,250	15%	Total	amount earned	across
				all three years	
D. Individual and Cross-Program Indicators	$254,400	32%	$0	$X	$254,400 - $X
2. Market Effects Incentives[3]	$23,850	3%	Total	amount earned	across
				all three years	
3. Activity Milestones Incentives[4]	$159,000	20%	$100,000	$59,000	$0
Maximum Possible Performance Award (Cap)	$795,000	100%			

Performance Award weights and dollar amounts are specified for all categories of indicators except individual and cross-program *Core Program* results indicators for the years 2001 and 2002 (these are represented by "X" and "$254,400 – X" in Table C-1 above). The remaining dollars ($254,400 from within the total of $795,000) shall be allocated among the individual

[1] These are the annual electricity savings to be achieved from all *Core Programs* (3/1/2000-12/31/2002). As explained in more detail in Paragraph 4.A below, if the *Contractor* exceeds the specified electricity savings target and fails to achieve one or more other performance indicators, it can earn a larger Performance Award for this indicator. The maximum dollar amount the *Contractor* can earn for this indicator is $238,500, or 30% of the maximum possible Performance Award; in no event can the *Contractor's* total payment for performance incentives exceed $795,000.

[2] As explained in more detail in Paragraph 4.C below, if the *Contractor* exceeds the specified total resource benefits target and fails to achieve one or more other performance indicators, it can earn a larger Performance Award for this indicator. The maximum dollar amount the *Contractor* can earn for this indicator is $143,100, or 18% of the maximum possible Performance Award; in no event can the *Contractor's* total payment for performance incentives exceed $795,000.

[3] These indicators are listed in Table C-7.

[4] These indicators are listed in Table C-4 and Table C-6.

and cross-program *Core Program* performance indicators as part of the Annual Program Planning process that will take place in October 2000.

4. Description of Performance Indicators

The *Contractor* is eligible to earn an incentive for superior performance of specified activities and outcomes in individual programs and for cross-program accomplishments. The paragraphs below provide a more detailed description of the three different categories of program performance indicators (Program Results Indicators, Market Effects Indicators, and Activity Milestones). The description includes a summary of agreed-upon proposed indicators for each year of this *Agreement* and their weights as a percentage of the total Performance Award, the documentation and verification process for each performance indicator, and in some cases, targets and thresholds.

A. Cumulative Annual Electricity Savings (25% of total award)

1. Target and Threshold

The *Contractor*'s Electricity Savings Target is **83,592 MWh** (at generation and net of free riders, as included in Section B.2.a of the *Response*) for the period from March 1, 2000 to December 31, 2002 (the Electricity Savings Target is the cumulative total of annual savings achieved by each year's implementation of *Core Programs*).[5] As part of the annual *Core Program* planning processes, the Electricity Savings Target may be increased to reflect *BED*'s contribution to the Emerging Markets program in 2001 and 2002.

The *Contractor* shall receive a Performance Award if the *Board* determines that the *Contractor* successfully achieves and documents Electricity Savings, above a specified savings threshold, that result from successful implementation of *Core Programs* from March 1, 2000 to December 31, 2002. The savings threshold is set at 75% of the Electricity Savings Target.

Electricity savings from programs implemented by *BED* and *WEC* shall not be counted towards the *Contractor*'s Electricity Savings for the purposes of determining this Performance Award. Any electricity savings from programs implemented with funds from other sources (e.g., grants, Vermont Gas Systems) shall be counted toward the *Contractor*'s Electricity Savings for the purposes of determining this Performance Award.

2. Weighting

The overall weight for this performance indicator is 25% of the *Contractor*'s total proposed Performance Award ($795,000 * 0.25 = $198,750). If the *Contractor* exceeds the specified Electricity Savings Target (up to a cap of 110% of the Electricity Savings Target) and fails to achieve one or more other performance

[5] Electricity savings from Section B.2.a of the *Contractor's* proposal as revised on January 10, 2000, excluding the Commercial and Industrial Customer Credit Program (88,755 MWh – 5,163 MWh = 83,592).

indicators, the *Contractor* can earn a larger Performance Award for this indicator (up to a cap of $238,000).

The *Contractor* must achieve 75% of its Electricity Savings Target (62,694 MWh) in order to earn any Performance Award for this indicator. If the *Contractor* achieves 75% of its Electricity Savings Target, it shall earn $99,375 (50% of the amount it would earn if it achieved 100% of its Target). The Performance Award shall be scaled linearly between 75% and 110% of the actual Electricity Savings as detailed in Paragraph 4.A.3 below.

3. **Performance Award**
The *Contractor*'s Performance Award shall be:

- $0 if verified cumulative annual Electricity Savings are less than 62,694 MWh.
- $99,375 plus $4.75/MWh (Verified Electricity Savings minus 62,694 MWh) for verified cumulative annual Electricity Savings between 62,694 and 91,951 MWh.

The table below illustrates the *Contractor*'s Performance Award if it achieves 75%, 80%, 85%, 90%, 95%, 100%, or 110% of its Savings Target.

Table C-2: Illustrative Performance Award for Annual Electricity Savings

Verified Cumulative Annual Electricity Savings: March 1, 2000 – Dec. 31, 2002	Performance Award ($)
91,951 MWh (110% of Target)	$238,500
83,592 MWh (100% of Target)	$198,750
79,412 MWh (95% of Target)	$178,875
75,233 MWh (90% of Target)	$159,000
71,053 MWh (85% of Target)	$139,125
66,874 MWh (80% of Target)	$119,250
62,694 MWh (75% of Target)	$ 99,375

4. **Documentation and Verification**
In order to establish and validate achievements for this Performance Award, the *Contractor* agrees to the following documentation and verification process.

a. By August 1, 2000, the *Contractor* shall submit *Work* products that provide estimated electricity savings for all prescriptive measures and technologies included in year 2000 *Core Programs*, including documentation of key inputs (e.g., assumed baseline technology, kW demand and/or KWh savings from high-efficiency technology, hours of operation, net-to-gross ratio).

b. By March 1 after the end of each year of this *Agreement*, the *Contractor* agrees to submit a report to the *Contract Administrator* and *DPS* that establishes its claim for Annual Electricity Savings. The *Contract Administrator* and the *DPS* will review the *Contractor*'s report and, at their own discretion, review the *Contractor*'s project files in order to assess savings estimates for custom measures, comprehensive projects, or key input assumptions. The *Contract Administrator* and the *DPS* will then meet with the *Contractor* in an attempt to resolve any differences on claimed savings. By May 1 after the end of each year of this *Agreement*, the *DPS* will provide a technical report or memorandum to the *Contract Administrator* with its recommendation on Annual Electricity Savings for each year. If there are still disputes on estimated Annual Electricity Savings to be claimed by *Contractor*, the *Contract Administrator* will then make a determination and provide his recommendation to the *Board* on the appropriate Performance Award for this category.

c. The *Contractor* shall work with the *Contract Administrator* and the *DPS* to establish reasonable savings estimates for new prescriptive energy efficiency measures offered in *Core Programs*, prior to their inclusion in programs. The *Contractor* shall maintain its documentation of all prescriptive measure savings assumptions in project and program files. For custom measures or projects, where prescriptive measure savings assumptions have not been established or do not apply, the *Contractor* shall maintain in its files documentation of all assumptions and calculations used to establish its claim for electricity savings. All information on savings assumptions and calculations used shall be available for review by the *DPS* and *Contract Administrator*.

d. As part of the annual program planning process, the *Contractor* shall review and update, as appropriate, its engineering estimates of Electricity Savings for measures, technologies and projects in order to reflect information obtained from measurement and evaluation studies, experiences gained from implementation of *Core Programs*, and changes in building and appliance standards and codes. The *Contractor* shall use these revised estimates of Annual Electricity Savings on a prospective basis for measures installed in reporting claims of Annual Electricity Savings in future years.

B. Electricity Savings for Projects under Development (5% of total award)

This performance incentive is designed to encourage the *Contractor* to continue promoting programs and developing projects with a long sales or development cycle for which installation may not be completed by the end of this *Agreement*. The goal is to ensure sustainable and orderly development of the energy efficiency services market and minimize disruptions in the marketplace.

1. Target and Threshold

The *Contractor*'s Adjusted Committed Electricity Savings Target for this performance indicator is **4,700 MWh**, which represents 25% of the annualized 2002 goals for the Commercial Energy Opportunities, Residential New Construction, and

Low-Income Multi-Family (REEP) programs (other programs do not typically have any significant time lags between commitments and completions). For purposes of meeting this performance Target, a probability factor of 85% shall be applied to all "committed" savings (e.g., savings counted toward Target = 0.85 * committed savings). This factor will reflect the fact that some committed projects may ultimately not come to fruition.

The *Contractor* shall receive a Performance Award if the *Board* determines that the *Contractor* successfully achieves 50% of the Target.

2. **Weighting**
The overall weight for this performance indicator is 5% of the *Contractor*'s total proposed Performance Award ($795,000 * .05 = $39,750). The *Contractor* must achieve 50% of the Adjusted Committed Savings Target in order to earn any Performance Award for this indicator. If the *Contractor* achieves 50% of its Adjusted Committed Savings Target, it shall earn $19,875 (50% of the amount it would earn if it achieved 100% of its Target). The Performance Award shall be scaled linearly between 50% and 100% of the Target, as detailed in Paragraph 4.B.3 below.

3. **Performance Award**
The *Contractor*'s Performance Award shall be:

- $0 if verified Adjusted Committed Electricity Savings are less than 2,350 MWh;
- $39,750 if verified Adjusted Committed Electricity Savings equal or exceed 4,700 MWh;
- Verified Adjusted Committed Electricity Savings divided by 4,700 then multiplied by $39,750, if verified Adjusted Committed Electricity Savings are between 2,350 MWh and 4,700 MWh.

The table below illustrates the *Contractor*'s Performance Award for different levels of committed savings.

Table C-3: Illustrative Performance Awards for Projects Under Development

Verified Adjusted Committed Annualized Electricity Savings (MWh)[6]	Performance Award
4,700 (100% of Target)	$39,750
4,230 (90% of Target)	$35,775
3,760 (80% of Target)	$31,800
3,290 (70% of Target)	$27,825
2,820 (60% of Target)	$23,850
2,350 (50% of Target)	$19,875
< 2,350 (<50% of Target)	$0

[6] Adjusted Committed MWh = 0.85 * Committed MWh.

4. **Documentation and Verification**
The *Contractor* is eligible for this Performance Award if it successfully achieves and documents annual electricity savings from projects and programs where customers have made "commitments." These projects are under development and there is a high likelihood that they will be completed and produce electricity savings which can be attributed to the *Contractor*'s programs. Commitments shall be defined as a written commitment by the *EEU* to fund a project. Written commitments must be signed by both the *Contractor* and the customer, and must define the financial offer, the specific measures and efficiency levels that would be installed, and the term for which the commitment is valid. For Act 250 (10 V.S.A. §§ 6081-6092) projects which are not receiving financial incentives, the determination of what defines a "commitment" will be mutually agreed upon by the *Contractor* and the *Board*, in consultation with the *Contract Administrator* and the *DPS*, by the end of 2001.

C. **Total Resource Benefits (15% of total award)**
This incentive is designed to encourage the *Contractor* to maximize energy-related and other resource benefits in implementing energy-efficiency measures and projects during their economic lifetime. The *Contractor* shall receive this Performance Award if it successfully achieves and documents Total Resource Benefits ("TRB"), above a specified threshold, that result from delivery of certain *Core Programs*.

1. **Target and Threshold**
A single, cumulative Target for Total Resource Benefits shall be established for the following bundle of *Core Programs*: Commercial Energy Opportunities, Residential New Construction, Low-Income Single-Family, Low-Income Multi-Family (REEP) and Efficient Products programs for the period 2000-2002.[7] The TRB for any given program are defined as the present value (in year-2000 dollars) of lifetime net resource savings in electricity, fossil fuel, and water, which are valued at current projections of avoided resource costs.[8] Avoided costs do not include environmental or any other externalities (e.g., indirect economic benefits), such as the 0.7 cents/kWh value stipulated in ¶ 51 of the *MOU*.

The *Contractor* shall work with the *DPS* and the *Contract Administrator* to develop a specific TRB Target to propose to the *Board* by October 1, 2000, consistent with the savings projected in the *Response*, based on adjustments to the estimated TRB associated with the *RFP* goals as revised on 11/17/99. Possible adjustments include removal of Commercial and Industrial Customer Credit Program, *BED*, and *WEC*

[7] In addition, a specific Program Results Indicator developed with the *DPS* and approved by the *Board* for the Emerging Markets Program for years 2001 and 2002 (see Paragraph 4.D.2 below) may include TRB Targets for selected programs or market segments.

[8] TRB do not include measure costs, or any other costs or benefits to customers (e.g., productivity increases, changes in O&M costs). The *Contractor* shall nonetheless estimate and track such costs. The *Contractor* shall work collaboratively with the *Contract Administrator* and the *DPS* to estimate and track these costs as part of its support of *DPS* resource planning efforts.

activities, and addition of water benefits. The specific TRB Target is subject to approval by the Board. The actual mix of measures and end-uses installed over time in *Core Programs* is likely to differ from that assumed in the projection of kWh and TRB goals.

TRB Targets shall be modified prospectively to reflect updated projections of avoided resource costs. For example, if the *DPS* updates avoided electric costs and fossil fuel prices in 2001, then the portion of TRB Targets associated with the remainder of the period covered by this *Agreement* shall be adjusted accordingly.

The *Contractor* shall receive a Performance Award if the *Board* determines that the *Contractor* successfully achieves and documents TRB, above a specified savings threshold, that result from successful implementation of *Core Programs* from March 1, 2000 to December 31, 2002. The savings threshold is set at 75% of the TRB Target.

2. **Weighting**
The overall weight for this performance indicator is 15% of the *Contractor*'s total proposed Performance Award ($795,000 * 0.15 = $119,250). The *Contractor* must achieve 75% of the TRB Target to be eligible for any Performance Award for this indicator. If the *Contractor* exceeds the TRB Target (up to a cap of 110% of the TRB Target) and fails to achieve one or more other performance indicators, the *Contractor* can earn a larger Performance Award for this indicator (up to a cap of $143,100).

If the *Contractor* achieves 75% of its TRB Target , it shall earn $59,625 (50% of the amount it would earn if it achieved 100% of its Target). The Performance Award shall be scaled linearly between 75% and 110% of the actual TRB, as detailed in Paragraph 4.C.3 below.

3. **Performance Award**
The exact formula to be used to calculate the *Contractor*'s Performance Award shall be determined when the TRB Target is set as part of the 2001 annual planning process.

4. **Documentation and Verification**
By March 1 after the end of each year of this *Agreement*, the *Contractor* agrees to submit a report to the *Contract Administrator* and *DPS* that establishes its claim for Total Resource Benefits. The *Contract Administrator* and the *DPS* will review the *Contractor*'s report and, at their own discretion, review the *Contractor*'s project files in order to assess the reasonableness of claimed Total Resource Benefits. The *Contract Administrator* and the *DPS* will then meet with the *Contractor* in an attempt to resolve any differences on claimed total resource benefits. By May 1 after the end of each year of this *Agreement*, the *DPS* will provide a technical report or memorandum to the *Contract Administrator* with its recommendation on Total Resource Benefits for each year. If there are still disputes on estimated Total Resource Benefits to be claimed by *Contractor*, the *Contract Administrator* will then

make a determination and provide his recommendation to the *Board* on the appropriate Performance Award for this category.

The *Contractor* will work with the *Contract Administrator* and the *DPS* to establish reasonable estimates of Total Resource Benefits for new prescriptive energy efficiency measures offered in *Core Programs*, prior to their inclusion in programs. The *Contractor* will maintain its documentation of all prescriptive measure savings assumptions in project and program files. For custom measures or projects, the *Contractor* shall maintain in its files documentation of all assumptions and calculations used to establish its claim for Total Resource Benefits. All information on assumptions and calculations used to establish Total Resource Benefits for a project shall be available for review by the *DPS* and *Contract Administrator*.

D. Other Program Performance Indicators (55% of total award):.

The *Contractor* is also eligible to earn Performance Awards for superior performance as evidenced by achievement of individual or cross-program performance indicators (32% of total award), activity milestones (20% of total award), and market effects indicators (3% of total award). Specific indicators are described for each Program Year in the following paragraphs.

1. Performance Indicators for the Year 2000

All performance indicators for the year 2000 have been agreed-upon and are in the category of Activity Milestones. Table C-4 describes the specific performance indicators, the performance Target date (if applicable), the form of verification for each indicator, and the entity responsible for verification of that indicator based on evidence provided by the *Contractor*.

The year 2000 indicators are focused on the*Board*'s principal objectives (as described in the *RFP*) and the Contractor's objectives as described in the *Response*:

(1) a smooth and efficient transition from existing utility administration of energy efficiency programs with minimal disruption in the marketplace;
(2) development of statewide delivery systems for *Core Programs*;
(3) timely development and deployment of *EEU* administration and management systems (e.g., information management, quality assurance program); and
(4) implementation of the *Contractor*'s proposed enhancements to *Core Programs*.

For the year 2000, the *Contractor*'s award in this category shall be determined based on its performance in aggregate, as measured by successful accomplishment of the14 performance indicators listed in Table C-4. The *Contractor* can earn a maximum Performance Award of $100,000 if it achieves 100% of the 14 proposed Activity Milestones by the target Performance Date and partial awards can be earned if 11 to 13 Activity Milestones are successfully completed (see Table C-5).

Table C-5: Performance Awards for Year 2000 Activities

Performance Award	Amount ($)
14 Activity Milestones	$100,000
13 Activity Milestones	$85,000
12 Activity Milestones	$70,000
11 Activity Milestones	$55,000
<11 Activity Milestones	$0

2. **Performance Indicators for the Years 2001 and 2002**
For 2001 and 2002, performance indicators have been proposed conceptually for many *Core Programs* and cross-program activities (see Table C-6 and C-7). However, the *Contractor* shall propose the specific Targets in its October 1, 2000 *Core Program* planning submission to the *Board*, based in part on a determination of the current baseline which shall be established during the year 2000.

In some areas, it was not possible or desirable to specify performance indicators up-front at the time of contract development, either because the specific elements of a program have yet to be developed (e.g., Emerging Markets) or because the *Contractor* plans to propose significant enhancements and improvements for the year 2001. In these areas, Table C-6 and Table C-7 list "Holdback Indicators" (performance indicators that could not be precisely defined at the time this *Agreement* was signed, but were included to recognize the parties' intent to define at a later date a specific indicator to measure the Contractor's performance implementing a particular *Core Program*) which describe potential performance indicators, areas of future work that are necessary in order to identify the most appropriate indicator, and possible approaches to establishing an accurate baseline for tracking progress against the proposed indicator.

By October 1, 2000, the 2001 plan filing date, the *Contractor* shall propose performance indicators and specific targets for programs and activities for the years 2001 and 2002 that have not been resolved and shall also propose a dollar allocation for Performance Award indicators, using a method that reflects relative program budgets as well as the relative weights assigned for other types of performance indicators.

The *Board* will review those proposed indicators, targets, and dollar allocations at that time, and revise this attachment, subject to the overall indicator categories, weights, and awards set out in Paragraph 3 of this Attachment, in accordance with its determination of what is appropriate to include as performance incentive indicators for the remaining term of this *Agreement*.

EXHIBIT A

STATEMENT OF WORK
for
<Project Name>
<Contract CXX-XXX>

Between
Northwest Energy Efficiency Alliance, Inc.
and
<Contracting organization or company name>

I. INTRODUCTION

<Contracting organization or company name> (Contractor) will be the prime Contractor for the project working in conjunction with <subcontracting organization or company name> . This Statement of Work covers activities to be performed by the Contractor from the effective date of the contract through completion of the scope of work not to exceed <Month, Day, Year>.

II. PROJECT OVERVIEW

A. Description

- Provide a general description of the project, including market barriers addressed, market opportunities, and target market. (one to two paragraphs)
- Provide a brief description of who the Contractor is and their qualifications. (one to two sentences)

B. Market Transformation Strategy

- The Northwest Energy Efficiency Alliance (Alliance) is providing funding to <explain how this project leads to our market transformation goal of x by y date>. Describe how this project will lead to long term market impact. In other words, describe it's sustainability once Alliance funding has ceased.

III. PROJECT GOAL(S) AND STRATEGY

The goal(s) of the project are x (describe the outcomes expected by the project).

The project strategy is x (describe the approach(es) the project will use to accomplish the project goal(s)).

IV. PROJECT PROGRESS INDICATORS

List the Project Progress Indicators (key activities/results) that will demonstrate progress in achieving the project goal(s).

One indicator must be the number of kWh savings needed for the project to breakeven during the project period, i.e. The minimum number of XX applications/installations, and/or an equivalent of xx in electricity savings in the region.

V. SCOPE OF WORK

Task 1: Project Management, Project Work Plan and Reporting

The Contractor shall provide project management and is responsible for coordinating all subcontracting activities related to the project. The Contractor shall finalize the detailed project work plan, including schedule and budget for all tasks listed with major milestones, deliverables, timing, and projected expenses identified within 20 days of execution of this contract. Project management shall also include the management of, billing support for, and summary reporting for all tasks listed on the project plan for all project subcontractors. The Contractor shall provide copies of the proposals or rate sheets for all subcontractors to the Alliance. The contractor is responsible for providing timely and accurate reports that will facilitate proper documentation and management of the project.

Activities:

1. Develop project work plan.
2. Coordinate and communicate project plan with the Alliance, the Alliance Evaluation contractor, and all project subcontractors.
3. Provide project management
4. Coordinate sub-contracting activities related to the project
5. Manage, provide billing support for, and report for all project sub-contractors.
6. Deliver the project at or under budget.
7. Deliver work products in a timely fashion as outlined in the project schedule.
8. Contractor will develop and submit timely monthly reports including:
   - Progress Report (refer to Exhibit C for format and information required) on activities and deliverables as related to the detailed final project work plan and budget developed in Task 1;
   - Financial Report (refer to Exhibit B-1 for format and information required)of all expenditures made in the performance of this project, and providing reasonable detail on expenses and projected expenses by quarter;
   - Expense Reporting: Invoices shall have a unique number, the period the invoice covers, the project name and contract number, payment address, contact name and phone number.
9. The Contractor shall provide timely updates to the Alliance's Project Coordination website calendar with announcements of any trainings, classes, trade shows, demonstrations, or any other activities related to the project that would be relevant for public dissemination.
10. At the end of the project, the Contractor shall prepare a final report which summarizes results achieved in the project tasks as related to the project's goals, project progress indicators and long term market impact.
11. At the request of the Alliance, the Contractor shall prepare a limited number comprehensive reports on specific aspect(s) of this project.
12. The Contractor may be asked to provide either written project information or attend utility meetings in person to promote the project.
13. The Contractor shall provide data for the evaluation effort as is reasonably required.

Deliverables

1. Final project work plan and quarterly updates, unless deviations are anticipated. Information shall be provided to the Alliance electronically.
2. Proposals or rate sheets for sub-contractors.

3. Quarterly review meetings with Alliance project team.
4. Monthly Reports
5. Final Report
6. Comprehensive Reports, as needed
7. Utility Reports, as needed
8. Data for evaluation, as needed.

Task XX: Marketing Materials
Any materials (paper or electronic) designed and developed under this contract for use by the Project team and for use by the Contractor for marketing and sales purposes or information dissemination (i.e. announcements of classes, website, case studies, brochures, advertisements, press release, technical papers) shall include the Alliance logo and description in accordance with the Alliance Graphics Standards. Any materials intended for posting on the Alliance website shall be submitted in either Word or PDF format. All materials must be approved by the Alliance Project Coordinator and Marketing and Communications staff in draft form. The materials will be developed in a professional manner appropriate to the intended audience and purpose.

Activities
1. Prepare a creative brief as per Alliance format.
2. Prepare conceptual layout and outline of content for Alliance approval.
3. Provide reviews; design, layout, text, final draft.
4. Prepare and deliver final material(s); including hard copies, electronic, and web site versions; color and grayscale (for faxing).

Deliverables
1. Basic conceptual package design and project brief for Alliance approval
2. Preliminary design and layout for Alliance approval. For a web-site, map and design templates.
3. Final draft for Alliance approval (Blue Line).
4. Final materials delivered to the Alliance (approximately 250 hard copies, quantity to be determined is dependent on the type of material, and an electronic version, PDF, for posting on the Alliance Project Coordination website).

Task 2 – XX: Project Specific Tasks

VI. EVALUATION
The Alliance evaluates all projects and provides the official public documentation. Evaluations are conducted on an on-going basis so as to provide the Contractor and Project Coordinator timely, accurate and reliable information on issues of design, implementation and market impacts. As part of this process, the Contractor may be contacted and interviewed by the Alliance evaluation contractor. The Contractor agrees to participate in the evaluation process and provide the requisite information, as part of the Contractor's Project Management responsibilities.

The Contractor may request certain evaluation services from the Alliance, such as market intelligence or customer attitudes. Within the budget constraints, the Alliance will make every effort to ensure that the data are collected as part of the evaluation requirements.

The Contractor and their subcontractors agrees to cooperate in future evaluations by talking with Alliance evaluation contractors and providing, or providing access to, appropriate data.

EXHIBIT B-1

SAMPLE: Monthly Finance Report

<Project Name and CXX-XXX>

<Project Term; Start Month and Year, Ending Month and Year>

<Reporting Month and Year>

TASK NUMBER AND NAME	Current Month Expenses	Current Year Expenses to Date	Current Year Budget	Current Year Budget Remaining	Total Project Expenses to Date	Total Project Budget	Total Budget Remaining
Task 1: Project Management				$0.00			$0.00
Task 2:				$0.00			$0.00
Task 3:				$0.00			$0.00
Task 4:				$0.00			$0.00
Task 5:				$0.00			$0.00
Task 6:				$0.00			$0.00
Task N:				$0.00			$0.00
Miscellaneous Expenses				$0.00			$0.00
TOTAL ALLIANCE FUNDING	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**

	Current Year Q1 Projected Expenses	Current Year Q2 Projected Expenses	Current Year Q3 Projected Expenses	Current Year Q4 Projected Expenses	Current Year Total Projected Expenses
TOTAL PROJECTED EXPENSES	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**

CATEGORY	Current Month Income	Current Year Income to Date	Current Year Target	Total Project Income to Date	Total Projected Income
Matching Funds					
Program Income					

EXHIBIT C

SAMPLE - MONTHLY PROGRESS REPORT FORMAT

<Project Name>
Northwest Energy Efficiency Alliance
Contract Number <c-Number>

Progress Report <Month, Year>
Submitted by <Project Contact Name, Title>
<Contracting Company or Organization>

Progress Indicators Achievements:

- Use bullet format to highlight advancements on Progress Indicators as per Exhibit A, and any issues or challenges the project team is dealing with that may effect progress.

Progress and Outcomes during reporting period by Task:

- Use bullet format to highlight significant activities and outcomes that occurred during the month for each task to determine progress towards major deliverables and project goals. Give recognition to groups or individuals that made a significant contribution to the project during the period.
    - Headings by Task number and name: Progress, Major Milestones/Deliverables achieved, Activities next period, Problems/Resolutions faced during this period and/or anticipated.

Communications/Coordination:

- Use bullet format to highlight any interactions with Pacific Northwest Utility staff and/or other Alliance Projects. Include Utility name, Contact Name, City, State and or Project Name.

Evidence of Market Transformation

- All evidence of market transformation, direct or anecdotal, should be documented, along with any success stories of the project itself.

Interaction with Alliance Staff

- Highlight what is working and/or not working with Alliance staff or it's processes and possible resolutions.

Budget Expenditures:

- Total expenditures for this project during the period ending <month, year> was <$xxx>. Total expenditures for the project to date is <$xxx>.

Attachments:

- Marketing and communication materials developed during the period, such as brochures, case studies, newsletters, copies of ads, articles, press releases, point of sale materials.
- Invoice for the period.
- Monthly Finance Report.
- Exhibit B.

The Creative Brief

A creative brief should be prepared for all marketing materials, whether it be public relations, advertising or marketing collateral. The brief provides a list of criteria which the material must meet. However, the brief needs to be customized for each specific product. A brief exists to ensure the following:

- Consistency between all product and marketing pieces.
- That market communications appropriately address the needs of the targeted audience.
- That communication will fit and support the organizational objectives.
- That individual communication pieces fit within the larger market strategy.

Brief Components

Project Description/Background. The purpose of describing the project and its background is to provide specific details of project purpose, how the project came to be and why this is important to the organization.

Communication Objectives. Communication objectives must focus on the target audience along with the communication activity the particular project involves. For example, will the project educate, teach, inform, provide or mobilize, etc. Communication objectives help the organization achieve the organizational goals.

Target Audience Needs. This section is dedicated to the target audience, whether it be the complete target market or specific segments. Any special need or details about the target group should be mentioned to help in the message and image creation.

Copy Needs. Copy should be inspired by the key messages and directed to the target market.

Logos/Image Needs. Logos and images are developed to speak to the organization's values and qualities. Specific images may be more applicable to specific market segments.

Schedule. The time requirements for creation, development and production should be documented.

Creative Brief

Marketing Project Name:

Target Completion Date:

Budget:

Quantity:

Project Description/Background:

Communication Objectives:

Target Audience Needs:

Copy Needs:

Logo/Image Needs:

Schedule:

CONTRACT
Between
NORTHWEST ENERGY EFFICIENCY ALLIANCE, INC.
and

_____

CONTRACT NUMBER: _____

TITLE OF PROJECT: _____

In consideration of the mutual promises and other items of value exchanged between them, the Northwest Energy Efficiency Alliance, Inc. (Alliance) and _____ (Contractor) agree as follows:

1. Statement of Work

This is a time and materials contract. The Contractor shall perform the work and shall deliver to the Alliance the work products listed in the attached Statement of Work found in Exhibit A, which is incorporated into this Contract by reference. The Contractor shall deliver its work products in the form and according to the schedule set forth in the Statement of Work. All such work products, property and other items furnished or required to be furnished, together with all other Tasks, obligations performed or required to be performed by Contractor under this Contract are sometimes collectively referred to in this Contract as "Tasks". Time is of the essence in the performance of this Contract.

2. Schedule

2.1 Contractor shall perform all Tasks required in the Statement of Work pursuant to the Schedule set forth in the Statement of Work. This Contract begins on _____ and ends on _____.

2.2 If the Contractor does not demonstrate progress in performing the Tasks pursuant to the schedule for reasons other than acts of the Alliance, thirty (30) days after the date scheduled for performance of a service, the Alliance may require the Contractor to increase its work force, work overtime, or take such other corrective actions as may be required to ensure ultimate completion in accordance with the Schedule, all at Contractor's own expense.

3. Contract Price

As full compensation for satisfactory performance of the Tasks, the Alliance shall pay Contractor based upon time and materials an amount not to exceed the sum of $_____. This amount may be modified by a mutually agreed upon written amendment to the Statement of Work in accordance with Section 12 Changes.

4. Payment and Financial Reporting

4.1 The Alliance shall pay Contractor pursuant to the following procedure. For each month that the Contract is in effect, Contractor shall submit to the Alliance as soon as possible after the end of each calendar month and no later than thirty (30) days after the end of each calendar month the following items:

A. Invoice / Financial Report
B. Progress Report

Each item shall be clearly labeled and shall bear the number assigned to this Contract. The items shall be mailed to the Alliance at its address specified below. Upon receipt of these items, the Alliance project manager shall promptly review the items and shall request more detailed reporting or other corrections to any items as reasonably necessary. If no additional information is required, then the Alliance shall make the requested payment within thirty (30) days after the Alliance's receipt of said items. If additional information or correction is required, the Alliance shall make payments within thirty (30) days after the Alliance's receipt and approval of said additional information.

4.2 Invoices shall clearly set forth the date of the payment request and the amount requested organized by the budgetary categories set forth in Exhibit B. Invoices shall also clearly set forth a summary of payments showing the balance available under each budgetary category for the remainder of the Contract.

4.3 Financial reports shall contain a description of services, the hours expended toward each service, the billing rate for each hour of service, any costs or related charges, and a total for the period in question. Each financial report shall be supported by such receipts, documents, information and other items as the Alliance may request. Contractor shall keep any receipts for or expenditures in the ordinary course of business and shall forward receipts for any extraordinary expenses for any calendar month.

4.4 Progress reports shall be provided monthly. Each report shall provide a brief discussion of the previous month's activity for each Task, describe the progress the Contractor is making toward its goals, and identify and explain any unusual situations encountered that affect costs or effectiveness of the project. This report shall follow the format presented in Exhibit C.

4.5 If unanticipated project needs arise, Contractor is authorized to make subtotal budget line item transfers not exceeding ten percent (10%) of the budget allocated to that item . Reallocation of funds exceeding this amount must have the prior written approval of the Alliance. Contractor shall send a written request for such budget changes to the Alliance. The Alliance will approve or deny the request as soon as possible.

4.6 If any taxes are imposed on the Alliance, including sales, use and value-added taxes, arising out of Contractor's performance under this Contract as a result of legislation not in effect as of the effective date of the contract, the parties shall promptly meet to negotiate a fair allocation of said taxes.

4.7 The Alliance may, without limiting any other rights or remedies, withhold from any payment hereunder the reasonable value of any third party claim against the Alliance that

Contractor has failed to settle pursuant to its indemnity contained herein. The Alliance may also withhold from any payment hereunder sufficient funds to discharge any delinquent accounts of Contractor for which liens on the Alliance's property have been filed, and the Alliance may at any time pay therefrom for Contractor's account such amounts as are admittedly due thereon, including any sums due under any federal or state law. The Alliance may also withhold payments to Contractor until any defective or non-compliant tasks are corrected or to achieve compliance with this contract, pursuant to Section 14 of this contract.

4.8 Contractor shall immediately notify Alliance upon its expenditure of eighty percent (80%) of the budget allocated to this Contract pursuant to Exhibit B. Upon Contractor's giving such notice, the parties shall promptly meet to discuss any pertinent issues, including, but not limited to, remaining Tasks and budgetary expenditure.

5. Performance by Contractor

5.1 No delegation or subcontracting of performance of any of the Tasks, with or without the Alliance's prior consent, shall relieve Contractor of its responsibility to perform the Tasks in accordance with this Contract.

5.2 Contractor shall at all times be an independent Contractor and not an agent or representative of the Alliance with regard to performance of the Tasks. Contractor shall not represent that it is, or hold itself out as, an agent or representative of the Alliance. In no event shall Contractor be authorized to enter into any contract or undertaking for or on behalf of the Alliance. Employees of the Contractor are not employees of the Alliance for any purposes in the performance of this Contract. Contractor shall notify the Alliance of its intent to change any subcontractor to a subcontractor other than that identified prior to execution of this Contract. Contractor shall notify the Alliance of its intent to expand the work of any subcontractor beyond that identified prior to execution of this Contract.

5.3 Contractor shall use its best efforts to perform the Tasks in a timely manner. Contractor shall immediately report to Alliance any events having a negative impact on the Tasks. At the time of performance, Contractor shall be properly licensed, equipped, organized and financed to perform the Tasks. Subject to compliance with the requirements of this Contract, Contractor shall perform the Tasks as it sees fit. The Alliance, its agents or representatives, may visit Contractor's office during normal business hours upon at least 24 hours' written notice to determine the status of ongoing activities required by this Contract.

5.4 Contractor shall cooperate fully with the Alliance and coordinate performance of the Tasks with any related work performed by the Alliance or others. If any Tasks to be performed by the Contractor depend upon the results of work performed by the Alliance or others, Contractor shall immediately notify the Alliance of any actual or apparent deficiencies in such other work. Contractor does not assume responsibility for complete or correct performance of work by others, except for its subcontractors.

5.5 Contractor shall endeavor to employ persons to perform the Tasks who are fully experienced and properly qualified to perform the same.

5.6 Contractor shall immediately notify the Alliance of any liens filed or claims or potential claims asserted and promptly pay and secure the discharge of or contest any liens or claims asserted by all persons and entities furnishing labor, Tasks, equipment, materials, or other items in connection with the Tasks. Contractor shall furnish to the Alliance such releases of claims and other documents to evidence such payment and discharge.

5.7 The following personnel are designated key personnel for purposes of Contractor's performance under this contract: <name and firm>, <name and firm>. The Contractor shall not replace key personnel without written consent from the Alliance. Further, if employment of any of the key personnel terminates or they are no longer available for work under this contract for any reason, whether voluntary or involuntary, Contractor shall notify the Alliance within 24 hours of any such change or termination. Upon notification of changes in key personnel the Alliance, at its sole discretion, reserves the right to terminate this contract pursuant to Paragraph 15.1 below.

6. Compliance with Laws; Conflicts of Interest

6.1 Contractor shall comply with all applicable laws, ordinances, rules, regulations, orders, licenses, permits and other requirements, now or hereafter in effect, of any governmental authority (including, but not limited to, such requirements as may be imposed upon the Alliance and that are applicable to the Tasks). All laws, ordinances, rules, regulations and orders required to be incorporated in contracts of this character are incorporated by this reference.

6.2 Contractor acknowledges that the Alliance is a nonprofit organization whose primary goal is to promote the efficient use of electrical energy. Contractor further acknowledges that it is important to the Alliance that Contractor perform its Tasks without being subject to any conflicts of interest which might interfere with the accomplishment of the Tasks. Therefore, Contractor represents that it has no conflicts of interest that might interfere with its performance under this Contract. Contractor further represents that it will immediately inform the Alliance of any conflicts that arise or may arise during the term of this Contract by written notice to the Alliance. Alliance and Contractor shall immediately address any such conflicts or potential conflicts as they may arise.

7. Examination of Records and Audit Requirements

7.1 The Contractor's performance of the Tasks shall, upon at least 24 hours' written notice, be subject to verification by and approval of the Alliance, but the making of (or failure or delay in making) such verification or approval shall not relieve Contractor of responsibility for performance of the Tasks. Contractor shall provide the Alliance sufficient, safe and proper facilities and equipment for such inspection and free access to such facilities.

7.2 Contractor shall keep accurate and complete accounting records in support of all cost billings to the Alliance in accordance with generally accepted accounting principles and practices, consistently applied. The Alliance or its audit representative shall have the right at any reasonable time or times and after 24 hours' advance notice to the

Contractor to examine, audit and reproduce the records, vouchers, and source documents that serve as the basis for compensation, other than compensation that is fixed in amount by this Contract, at the Alliance's cost. Such documents shall be available for examination, audit and reproduction at Contractor's office for three (3) years after completion of the work. Contractor shall assist the Alliance in preparing necessary audit material and will allow the Alliance to review any work papers prepared by independent auditors as allowed by professional standards. Any over-collections shall be returned within thirty (30) days from date of notice of overcharge. Audit findings will be considered to be final for the period audited.

8. Materials, Information, Property and Other Items

8.1 All new materials, information, property and other items accumulated or developed in connection with the Tasks (including, but not limited to, documents, drawings, plans, specifications, calculations, maps, sketches, notes, reports, data, estimates, models, samples, completed Tasks and Tasks in progress), together with all rights associated with ownership of such items (such as copyright and patent rights) for all products not in the public domain shall be works made for hire of the Alliance and shall belong exclusively to the Alliance, whether or not delivered to the Alliance. Contractor shall deliver such items, together with all materials, information, and other property furnished by the Alliance, or the cost of which is included in the compensation payable under this Contract, to the Alliance upon request, and in any event upon the completion, termination or cancellation of this Contract. In the event that any of the foregoing items are deemed not to be works made for hire, Contractor hereby assigns and agrees to assign to the Alliance all rights to such items, including, without limitation, all copyrights.

8.2 Contractor shall not, without the prior written consent of the Alliance or unless otherwise directed by the Statement of Work, disclose to third parties any information developed or received in connection with the Tasks unless: (1) the information is known to Contractor prior to receiving the same directly or indirectly from the Alliance in connection with the Tasks; (2) the information is in the public domain at the time of disclosure by Contractor; or (3) the information is received by Contractor from a third party who did not receive the same directly or indirectly from the Alliance or in connection with the Tasks. If requested by the Alliance, Contractor shall obtain from its employees, its suppliers, and subcontractors of any tier and their respective employees, nondisclosure contracts in form and content satisfactory to the Alliance.

9. Indemnification

9.1 Each party shall indemnify, defend and hold harmless the other party, its directors, officers, employees, and agents (collectively, Indemnitees) from any and all claims, demands, suits, losses, costs, and damages of every kind and description, including attorney fees, brought or made against or incurred by any of the Indemnitees resulting from, arising out of, or in any way connected with, any act of a party, its employees, agents, representatives, or subcontractors of any tier, their employees, agents, or representatives in the performance or nonperformance of a party's obligations under this Contract or in any way related to this Contract. The indemnity obligations under this Section shall include without limitation:

A. Loss of or damage to any property of a party or any third party;

B. Bodily or personal injury to, or death of any person(s), including without limitation employees of a party or its subcontractors of any tier, and

C. Claims arising out of workers' compensation, unemployment compensation, or similar such laws or obligations applicable to employees of a party or its subcontractors of any tier.

A party's indemnity obligation under this Section shall not extend to any liability caused by the negligence of any of the Indemnitees.

9.2 Contractor shall indemnify, defend and hold harmless the Alliance and its Indemnitees from all claims, losses, harm, liabilities, damages, costs, expenses (including, but not limited to, attorney fees) and royalties arising out of or in connection with any claims, action, suit or proceeding based upon infringement (or alleged infringement) of any patent, copyright, trade name or trademark, or upon the Contractor's or subcontractors' wrongful use (or alleged wrongful use) of any confidential or proprietary concept, method, process, product, writing, information or other item, and arising out of, or in connection with, this Contract, performance of the Tasks or the use of any of the Tasks.

9.3 If any of the Tasks or any use of the Tasks constitutes an infringement of any patent, copyright, trade name or trademark, or wrongful use of any confidential or proprietary concept, method, process, product, writing, information or other item, Contractor shall at its expense either (1) procure for the Alliance and its Indemnitees the right to use the infringing item; (2) replace the infringing item with a substantially equal but non-infringing item; or (3) modify the infringing item so that it becomes non-infringing.

10. Workers' Compensation and Insurance

10.1 Contractor shall ensure that, with respect to all persons performing the Tasks, Contractor or its suppliers or subcontractors maintain in effect at all times during performance of the Tasks coverage or insurance in accordance with the applicable laws relating to workers' compensation and employer's liability insurance.

10.2 Without limiting any liabilities or any other obligations of Contractor, Contractor shall, prior to commencing work, secure and continuously carry with insurers acceptable to the Alliance the following minimum insurance coverage:

Commercial General Liability insurance with a minimum single limit of $1,000,000. The coverage shall include:

A. Bodily Injury and Property Damage Liability;

B. Contractual Liability;

C. Products and Completed Operations, excepting Errors and Omissions, to extend for a minimum of two (2) years past acceptance or termination of the

Tasks, to protect against and from all loss by reason of injury to persons or damage to property, including Contractor's own workers and all third persons, and property of the Alliance and all third parties based upon and arising out of Contractor's operations hereunder, including the operations of its subcontractors of any tier.

Business Automobile Liability insurance with a minimum single limit of $1,000,000 for bodily injury and property damage with respect to Contractor's vehicles, whether owned, hired or non-owned, assigned to, or used in the performance of the work.

10.3 The policies required herein shall include (1) provisions or endorsements naming the Alliance, its directors, officers and employees as additional insureds; and (2) a cross-liability and severability of interest clause. Unless specifically waived by the Alliance, a certificate of insurance and its respective endorsement certifying to the issuance of such insurance shall be furnished to the Alliance within ten (10) days of the execution of this Contract. For all commercial general liability coverage written on a "claims-made" basis, the certificate shall also identify the retroactive date(s) and all later endorsements, if any. If requested by the Alliance, a copy of each insurance policy, certified as a true copy by an authorized representative of the issuing insurance company, shall be furnished to the Alliance.

10.4 The Alliance shall be notified by Contractor of any commercial general liability policies maintained hereunder and written on a "claims-made" form. Such insurance policies written on a "claims-made" basis shall be maintained by Contractor for a minimum period of five (5) years after the completion of this Contract, and the Alliance may, at its discretion, require Contractor, at Contractor's sole expense, to institute other measures to guarantee future coverage for claims as contemplated by this Contract.

11. Acknowledgement of Support

11.1 Publication of the results of this award is encouraged. Contractor shall give the Alliance notice of and an opportunity to review any proposed written or posted publication of this award or results of this award and any materials that result from this Contract that are published or otherwise disseminated. Such materials shall include an acknowledgement that this activity was supported, in whole or in part, by the Alliance, but that such support does not constitute an endorsement by the Alliance of the views expressed therein.

11.2 The Contractor shall ensure that all program materials, including marketing, training and collateral materials, follow applicable guidelines as set forth by the Alliance for such purposes as acknowledging Alliance support and sponsorship, and/or use of the Alliance logo and tag line. All program materials must be approved by the Alliance.

11.3 **Adherence to Graphics Standards.** The Contractor shall adhere to the guidelines set forth in the attached Graphics Standards Guideline (Exhibit D).

12. Changes

12.1 The provisions of this Contract cannot be modified by supplemental contract,

amendment, or change order without the review and approval of the Alliance and the Contractor. If changes to this Contract are deemed necessary, they shall be made by amendment and signed by both parties.

12.2 If any change under Section 12.1 causes an increase or decrease in the cost of or the time required for performance of the Tasks, an equitable adjustment in the compensation and the Schedule under this Contract shall be made to reflect such increase or decrease, and this Contract shall be modified in writing accordingly. Such equitable adjustment shall constitute full compensation to Contractor for such change.

12.3 Notwithstanding any dispute or delay in arriving at a mutually acceptable equitable adjustment under Section 12.2, Contractor shall immediately proceed with performance of the Tasks as changed pursuant to Section 12.2. If Contractor intends to assert a claim for equitable adjustment under Section 12.2, Contractor must, within fifteen (15) days after Contractor's receipt of any notice under Section 12.2 that does not set forth an acceptable adjustment, submit to the Alliance a written statement of the basis and nature of the adjustment claimed. Contractor shall not be entitled to any adjustment unless such written statement is submitted by Contractor to the Alliance within the applicable fifteen- (15) day period.

13. Disputes

13.1 The use of mediation is encouraged and may be used as negotiated between the parties.

13.2 All claims arising out of this Contract and all disputes not settled by the parties shall be settled by binding arbitration in accordance with the effective rules of the Arbitration Service of Portland, Inc. and judgment upon the award rendered by the arbitrator(s) may be entered in the court having jurisdiction as further defined in paragraph 16.11. If an arbitration hearing is required, such hearing shall be held in Portland, Oregon.

14. Correction of Noncompliance

14.1 Contractor shall at its expense promptly and satisfactorily correct any Tasks within its or its subcontractors' control found to be defective or not in compliance with the requirements of this Contract.

14.2 If the Alliance directs Contractor to correct defective or non-complying Tasks or otherwise to achieve compliance with this Contract and Contractor thereafter fails to comply or indicates its inability or unwillingness to comply, the Alliance may, upon ten (10) days' advance written notice to Contractor of the Alliance's intention to do so, correct (or cause to be corrected) the defect or noncompliance, or otherwise achieve compliance by the most expeditious and commercially reasonable means available to it (by contract or otherwise) and recover the cost of the correction by offset against compensation payable under this Contract or charges to the Contractor not to exceed payments made to the Contractor under this Contract.

14.3 The Alliance's right to make corrections and otherwise achieve compliance and recover from Contractor the cost thereof is in addition to all other rights and remedies available to the Alliance under this Contract or otherwise by law and shall in no event be

construed or interpreted as obligating the Alliance to make any correction of defective or noncomplying Tasks or otherwise to achieve compliance with this Contract. Contractor's obligation to correct defective or noncomplying Tasks shall not in any way limit or qualify any other obligation of Contract under this Contract. Further, Contractor's obligations shall not be limited or qualified in any way because of any corrections or other obligations performed (or caused to be performed) by the Alliance or the Alliance's right to perform (or cause to be performed) the same.

15. Termination

15.1 The Alliance may at any time, upon ten (10) days' written notice to Contractor, terminate this Contract for all Tasks not then performed, whether or not Contractor is then in breach or default. Upon receipt of any such notice of termination, Contractor shall, except as otherwise directed by the Alliance, immediately stop performance of the Tasks to the extent specified in such notice.

15.2 The Alliance may at any time terminate this Contract, upon ten (10) days' written notice to Contractor, for cause if the Contractor (1) fails to perform any of its responsibilities set forth in the Statement of Work, or fails to make sufficient progress in its work as to endanger, in the judgment of the Alliance, complete and timely performance; (2) breaches any of its warranties under this Contract; (3) fails to comply with any material provision of this Contract; or (4) violates any provision of this Contract that specifically authorizes the Alliance to terminate for cause. The Alliance shall give the Contractor written notice of such termination specifying the date of termination and the cause. Such termination is effective immediately.

15.3 If termination is not the result of Contractor's breach or default, an equitable adjustment shall be made in the compensation payable to Contractor under this Contract, provided that such compensation as so adjusted shall in no event exceed a percentage of the total compensation otherwise payable under this Contract equal to the percentage of the Tasks satisfactorily completed at the time of termination. Contractor shall use its best efforts to minimize the compensation payable under this Contract in the event of such termination.

15.4 Upon default by either party, the non-defaulting party may pursue all available legal and equitable remedies against the defaulting party concurrently. The exercise of any legal or equitable remedy shall not prevent the non-defaulting party from pursuing any other available remedy.

16. Miscellaneous

16.1 Any notice under this Contract shall be in writing and shall be delivered in person or mailed, properly addressed and stamped with the required postage, to the intended recipient at the address and to the attention of the person specified below. Either party may change its address specified below by giving the other party notice of such change in accordance with this Section. Notices are effective upon personal delivery, or if mailed, at the expiration of the third day after the date of deposit in the U.S. mail.

16.2 Contractor shall not (by contract, operation of law, or otherwise) assign this Contract or

any right or interest in this Contract without the prior written consent of the Alliance. Such assignment without the Alliance's prior written consent shall be voidable at the Alliance's option. No such assignment, with or without the Alliance's prior written consent, shall relieve Contractor from its responsibility to perform the Tasks in accordance with this Contract. Subject to the foregoing restriction on assignment by Contractor, this Contract shall be fully binding upon, inure to the benefit of, and be enforceable by the successors, assigns and legal representatives of the respective parties to this Contract.

16.3 The failure of either party to insist upon or enforce strict performance by the other party of any of the provisions of this Contract or to exercise any rights under this Contract shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon any such provisions or rights in that or any other instance; rather, the same shall be and remain in full force and effect.

16.4 All obligations of Contractor and of the Alliance that may reasonably be interpreted or construed as surviving the completion, termination or cancellation of this Contract shall survive the completion, termination or cancellation of this Contract.

16.5 Contractor shall take such action (including, but not limited to, the execution, acknowledgement and delivery of documents) as may be requested by the Alliance for the implementation or continuing performance of this Contract.

16.6 The rights and remedies of the parties set forth in any provision of this Contract are in addition to and do not in any way limit any other rights or remedies afforded by any other provision of this Contract, by any of Contractor's suppliers or subcontractors of any tier, or by law.

16.7 This Contract sets forth the entire agreement of the parties and supersedes any and all prior negotiations or agreements with respect to the Tasks.

16.8 The invalidity or unenforceability of any provision of this Contract shall not affect the other provisions hereof, and this Contract shall be construed in all respects as if such invalid or unenforceable provisions were omitted. The headings of Sections of this Contract are for convenience of reference only and are not intended to restrict, affect, or be of any weight in the interpretation of construction of the provisions of such Sections.

16.9 This Contract shall be interpreted, construed and enforced in all respects in accordance with the substantive and procedural laws of the State of Oregon.

16.10 In the event an action is brought to enforce any provision of or declare a breach of this Contract, the prevailing party shall be entitled to recover, in addition to any other amounts awarded, reasonable legal costs, including attorney fees incurred thereby.

16.11 Subject to paragraph 13.2, each party irrevocably submits to the exclusive jurisdiction of the Multnomah County Circuit Court or the United States District Court in Portland, Oregon, over any suit, action or proceeding arising out of or relating to this Contract, and confirms that such court shall have personal jurisdiction over such party. Each

party irrevocably waives any right to assert, as a defense or otherwise, any claim that it is not subject to the jurisdiction or venue of such court. The parties agree that such courts offer convenient forums and proper venues for any such suit.

17. Compliance with Debarment & Suspension

Contractor warrants and certifies to the Alliance that neither it nor any of its principal employees is currently listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs ("the List"). Contractor further warrants and certifies that if either it or any of its principal employees becomes listed on the List during the performance of this contract, then Contractor shall immediately inform the Alliance in writing. The Alliance is requiring this assurance from Contractor in order to be certain that the Alliance is in full compliance with Executive Orders 12549 and 12689, and any and all rules promulgated implementing those executive orders.

Northwest Energy Efficiency Alliance, Inc.	**Contractor**
_____	_____
Margaret Gardner Executive Director	
Date:_____	Date: _____
	Federal Tax ID#_____

Addresses for Notices:

Alliance:

Northwest Energy Efficiency Alliance, Inc.
529 SW Third Ave., Suite 600
Portland, OR 97204
PH: 503-827-8416
FAX: 503-827-8437

Contractor:

_____
_____
_____
PH:
FAX:

2002 Express Efficiency

AIR CONDITIONING APPLICATION

CASH REBATES

for small and medium-sized business customers

WHO *is eligible?*

- Any customer with a monthly demand ≤ 500 kW per month
- Customers with multiple accounts, please call (800) 468-4743 to see if you qualify

WHAT *can you get?*

- Up to $25,000 for eligible equipment (see worksheet inside)

HOW *to apply?*

- To ensure funding availability, you must reserve funds before you purchase and install the equipment. Call (800) 468-4743 to reserve your funds
- Calculate your rebate
- Fill in and sign the Customer Information page
- Attach original, itemized invoice to this application and mail back to Pacific Gas and Electric Company Central Processing Center

PG&E **Pacific Gas and Electric Company.**

2002 Express Efficiency

AIR CONDITIONING APPLICATION

CASH REBATES

for small and medium sized business customers

Eligibility

- Customers eligible for the 2002 Express Efficiency program are defined as those commercial, industrial, and agricultural accounts with a maximum monthly demand of 500 kW and on the applicable rate schedule. Additionally, customers with more than one account, the aggregate demand for all commercial industrial and agricultural rate accounts owned cannot exceed 500 kW.
- The total rebate limit for the Express Efficiency program is $25,000 per account, per fuel, per year. This includes participation in any combination of the Lighting, Air Conditioning, LED Signs, Refrigeration, and Agricultural/Motors. Customers may apply for rebates until the limit is reached.
- Customers with larger facilities are encouraged to apply to the Standard Performance Contract program.

Requirements

- Rebate items must be installed on the Pacific Gas and Electric Company electric account listed on the application for those items.
- All purchase invoices or receipts must be dated between April 1, 2002, and December 15, 2002. All rebate items must be purchased and installed prior to submitting an application for a rebate to be considered.
- Rebates cannot be combined with other utility rebate or incentive programs.
- Equipment must meet the requirements on the reverse side. If you have questions, check with your local Pacific Gas and Electric Company office to confirm eligibility and reserve funds before purchasing products. Pacific Gas and Electric Company reserves the right to withhold payment for products that do not meet our requirements and to verify installation.
- Rebate payments are the property of the applicant (customer). The applicant may assign payment to a third party. A completed payment release form is also required.
- The selection, purchase and ownership of the equipment is the sole responsibility of the customer. Pacific Gas and Electric Company makes no representation as to the safety, reliability and/or efficiency of the equipment selected or components thereof. Pacific Gas and Electric Company makes no warranty, whether expressed or implied, including warranty of merchantability or fitness for any particular purpose, use, or application of the equipment.

How To Apply

1. To ensure funding availability, you must reserve funds before you purchase and install equipment. Call (800) 468-4743 to reserve your funds.
2. Calculate your rebate by multiplying the Quantity Purchased (Column A) times the Rebate/Unit (Column B) and write the amount in Column C. Your rebate for each product cannot exceed the price you paid for it.
3. Add all the rebate amounts in Column C and write the Base Rebate amount in the space provided at the bottom of the application.
4. On the paid, itemized invoice(s) or receipt(s), circle the energy-saving product(s) for which a rebate is requested and label each one with its category letter. Be sure that the make and model number of each item appears on the invoice.
5. Fill out and sign the Customer Information page.
6. Attach the original, itemized invoice(s) to your original application and mail in the envelope to:

Pacific Gas and Electric Company
Central Processing Center
3480 Buskirk Avenue, Suite 150
Pleasant Hill, CA 94523

This 2002 Express Efficiency Program may be modified or terminated without prior notice. Check Pacific Gas and Electric Company's web site for program modifications and updates on the program status. Please see the 2002 Express Efficiency Policies and Procedures manual (posted on our web site) for complete information and other applicable restrictions.

QUESTIONS? CALL TOLL-FREE (800) 468-4743

NEED MORE INFORMATION? VISIT OUR WEB SITE AT WWW.PGE.COM

Terms and Conditions: Air Conditioning

When applicable, attach a manufacturer's spec sheet showing EER (or SEER) and capacity in BTU/hr to your application.

A. Package Terminal Air Conditioners and Package Heat Pumps

Package terminal air conditioners (PTAC's) and heat pumps are through-the wall or through-the-window air conditioner units and are 2 tons (24,000 BTU/hr) or less. To calculate the minimum Energy Efficiency Ratio (EER) eligible for rebate, use the following formulas:

(_____ – _____) x _____ x $50/ton = _____
(new EER – min EER) tons

If PTAC unit ≤ 7,000 BTU/hr, then Min. EER = 8.88

If 7,000 BTU/hr < PTAC Unit < 15,000 BTU/hr, then
Min EER = 10.0 – (0.16 x _____ ÷ 1,000) = _____

If PTAC unit ≥ 15,000 Btu/hr, then Min EER = 7.6

Cooling capacity value can be found on specification sheet for AC unit.

B. Package Air Conditioners, Split Systems ≥ 24,000 BTU/hr and < 65,000 BTU/hr

Tier	Min. EER	Min. SEER	TXV
I	EER: 11.0 Split/10.5 Pkg.	SEER: 13/12	No
II	EER: 11.6 Split/11.3 Pkg.	SEER: 15	Yes
III	EER: 12 Split/11.6 Pkg.	SEER: 14	Yes

C. Air Cooled, Package Air Conditioners, Split Systems ≥ 65,000 and < 135,000 BTU/hr

Air cooled, single package or split system air conditioners within the designated size category are eligible when the rated efficiency is greater than or equal to the stated minimum.

CEE Tier II AC's Minimum EER = 11.0, 11.4 IPLV.

Water or Evaporative Cooled, Package Air Conditioners, Split Systems ≥ 65,000 and < 135,000 BTU/hr

Water or evaporative cooled, single package or split system air conditioners within the designated size category are eligible when the rated efficiency is greater than or equal to the stated minimum.

CEE Tier II AC's Minimum EER = 14.0

D. Air Cooled, Package Air Conditioners, Split Systems ≥ 135,000 and ≤ 240,000 BTU/hr

Air cooled, single package or split system air conditioners within the designated size category are eligible when the rated efficiency is greater than or equal to the stated minimum.

CEE Tier II AC's Minimum EER = 10.8, 11.2 IPLV.

Water or Evaporative Cooled, Package Air Conditioners, Split Systems ≥ 135,000 BTU/hr and ≤ 760,000 BTU/hr

Water or evaporative cooled, single package or split system air conditioners within the designated size category are eligible when the rated efficiency is greater than or equal to the stated minimum.

CEE Tier II AC's Minimum EER = 14.0

E. Air Cooled, Package Air Conditioners, Split Systems > 240,000 and ≤ 760,000 BTU/hr

Air cooled, single package or split system air conditioners within the designated size category are eligible when the rated efficiency is greater than or equal to the stated minimum.

CEE Tier II AC's Minimum EER = 10.0, 10.4 IPLV.

F. Setback Programmable Thermostats

Must automatically adjust the temperature setting of your heating and air conditioning system at pre-selected times to make sure energy is consumed only when needed.

G. Reflective Window Film

Film must have a minimum five-year manufacturer's warranty. Rebates are not available for windows with northern exposure. Additionally, film must have either a solar heat gain coefficient (SHGC) ≤ 0.39 and be applied to clear, single-pane glass, or film can have an SHGC ≤ 0.47 and visible transmittance/solar heat gain coefficient (VT/SHGC) ratio > 1.3. This must be documented on the invoice, as well as square footage installed.

H. Evaporative Cooler

Must replace an existing, vapor-compression air conditioning system, or the existing compressor must be made inoperative. Must not have "constant bleed" option. No rebate is available for CBC climate zones 1 and 3. Tonnage on application is based on capacity of package unit that is being replaced. Invoice should contain information describing what is being replaced.

I. Variable Frequency Drives (VFDs) for HVAC Fans or Chilled Water Pumps

VFD incentives are for fan and chilled water pump applications on HVAC systems. The maximum fan size is 100 hp. The installation of a VFD on a HVAC fan is eligible for a rebate only if throttling devices, such as inlet vanes, bypass dampers and throttling valves, are removed or permanently disabled. A 3% impedance choke is recommended. The installation of a VFD on a chilled water pump is eligible for a rebate only if installed in conjunction with a conversion from a constant-flow chilled water pumping system to a variable-flow system. In addition, a VFD conversion may also require replacing or converting three-way valves on cooling coils to two-way valves and converting to a primary/secondary chilled water pumping system.

Abbreviations

- EER – Energy Efficiency Ratio
- SEER – Seasonal Energy Efficiency Ratio
- IPLV – Integrated Part Load Value
- CEE – Consortium For Energy Efficiency
- CEC – California Energy Commission
- SHGC – Solar Heat Gain Coefficient
- VT – Visible Transmittance

Definitions

British Thermal Unit (Btu): The amount of heat required to raise the temperature of one pound of water by one degree Fahrenheit.

Energy Efficiency Ratio (EER): The cooling capacity of an air-conditioning unit (Btu/hr) divided by the electric power consumption (watts).

Integrated Part Load Value (IPLV): Part load efficiency.

Seasonal Energy Efficiency Rating (SEER): The total cooling output (Btu) of an air-conditioning unit during its normal usage period divided by the total electric energy input (watt-hr) during the same period.

Thermal Expansion Valve (TXV): A refrigerant metering valve, installed in an air-conditioning unit, which controls the flow of liquid refrigerant entering the evaporator in response to system cooling demand.

Tons: A measure of heat removed over a period of time by an air-conditioning or refrigeration system (1 ton = 12,000 Btu/hr).

To Calculate Tonnage

Take the capacity in Btu/hr at ARI test conditions. Divide by 12,000 Btu/ton and round to the nearest tenth (see conversion factors below). If Btu/hr and ton rating are not equivalent in product literature, rebate must be calculated using manufacturer's Btu/hr rating. New efficiency rating must be based on ARI test conditions. Manufacturer's performance data sheet showing, at least, equipment type, equipment size, efficiency rating, and existence of TXV must be submitted with the rebate application.

Pacific Gas and Electric Company.

2002 Express Efficiency

AIR CONDITIONING APPLICATION

(For Retrofit Projects)

Please complete reverse side of the application

Caution: Read product requirements before purchasing. Do not use correction fluid on rebate application.

Equipment Type	Quantity Purchased A	Rebate/Unit B		Rebate C = A x B
A. Package Terminal Air Conditioners and Package Terminal Heat Pumps (up to 24,000 BTU/hr)	_____ tons	(_____ – _____) x _____ x $50/ton = _____ (new EER – min EER) (total tons)		
B. Package Air Conditioners or Split System (≥24,000 and < 65,000 BTU/hr)	_____ tons	❑ Tier I	$40/ton	
		❑ Tier II	$50/ton	
		❑ Tier III	$70/ton	
C. Package Air Conditioners or Split System—air cooled (≥65,000 and < 135,000 BTU/hr)	_____ tons		$75/ton	
Package Air Conditioners or Split System—water and evaporative cooled (≥65,000 and < 135,000 BTU/hr)	_____ tons		$75/ton	
D. Package Air Conditioners or Split System—air cooled (≥135,000 and ≤ 240,000 BTU/hr)	_____ tons		$75/ton	
Package Air Conditioners or Split System—water and evaporative cooled (≥135,000 and ≤ 760,000 BTU/hr)	_____ tons		$75/ton	
E. Package Air Conditioners or Split System—air cooled (>240,000 and ≤ 760,000 BTU/hr)	_____ tons		$75/ton	
F. Setback Programmable Thermostats	_____ units	$12/unit		
G. Reflective Window Film	_____ sq ft	$.45/ square ft	❑ Coastal	
		$.45/ square ft	❑ Inland	
		$.45/ square ft	❑ Desert	
H. Evaporative Coolers	_____ tons	$70/ton		
I. Variable Frequency Drives HVAC Fans	_____ hp	$40/hp		
Chilled Water Pumps	_____ hp	$40/hp		

Remember, you may not earn more than $25,000 per account, per year

BASE REBATE $ _____

Pacific Gas and Electric Company reserves the right to verify installation.

For Utility Use Only

Please detach here.

2002 Air Conditioning Application (For Retrofit Projects)

Important Notice: The original application and paid itemized invoices must be received by Pacific Gas and Electric Company or postmarked no later than **December 13th, 2002.** Equipment make and model number required on all invoices.

For utility use only

Application Number

Multiple Applications

Vendor Number

Customer Information — Please Print Clearly

Pacific Gas and Electric Company Service Account Number

Rate Schedule

Taxpayer ID Number (required)

Tax Status (check one)
- ☐ Individual/Sole Prop
- ☐ Partnership
- ☐ Corporation
- ☐ Exempt

Building Type (check one)
- ☐ Office
  - ☐ Small
  - ☐ Large
- ☐ School
  - ☐ College
  - ☐ K–12
  - ☐ Daycare
- ☐ Retail
  - ☐ Small
  - ☐ Large
- ☐ Restaurant
- ☐ Hotel/Motel
- ☐ Medical
  - ☐ Hospital
  - ☐ Clinic
- ☐ Grocery
- ☐ Warehouse
- ☐ Public Assy
- ☐ Process Ind
- ☐ Misc

Name of Company

Name as it Appears on Your Utility Bill

Name of Contact Person — Title

Telephone of Contact Person — Fax Number — E-Mail Address

Address Where Item(s) Installed — Square Footage (required)

City — State — Zip

Checks Should Be Made Payable To The Following: ■ Check If Same As Above

Company Name

Mailing Address

City — State — Zip

Telephone — Fax Number

If check is to be made payable to a third party, a completed Payment Release Form is also required.

Agreement

As a qualified Pacific Gas and Electric Company customer, I certify that I purchased and installed the indicated energy saving products between April 1, 2002 and December 13, 2002, for use in my business facility and not for resale. I have attached documents establishing paid proof of purchase for the items applied for on this application. I agree to verification by Pacific Gas and Electric Company of both the sales transactions and products installation and I certify that the information on this application is true and correct, and that the tax ID provided is an accurate representation of the applicant. I understand that rebate payments are based on related energy benefits over the life of the product.

I agree that if:

1. I do not provide Pacific Gas and Electric Company with 100% of the related energy benefits specified in the application for the life of the product or for a period of five (5) years from receipt of rebate, whichever is less, or
2. I cease to be a distribution customer of Pacific Gas and Electric Company during said time period,

I shall refund a prorated amount of rebate dollars to Pacific Gas and Electric Company based on the actual period of time in which I provided the related energy benefits as an electric customer of Pacific Gas and Electric Company.

I agree that this program may be modified or terminated without prior notice.

I understand that this application and the paid itemized invoice must be received by Pacific Gas and Electric Company or postmarked no later than December 13, 2002, and that all equipment must be purchased and installed prior to submission of application.

Tax Liability

Incentives are taxable and if greater than $600 will be reported to the IRS unless you are exempt. Pacific Gas and Electric Company will report your rebate as income to you on IRS Form 1099 unless you have checked corporation or exempt tax status above. You are urged to consult your tax advisor concerning the taxability of rebates. Pacific Gas and Electric Company is not responsible for any taxes that may be imposed on your business as a result of your receipt of this rebate.

In no case will the utility pay more than 100% of the actual purchase price of the items to be rebated. This program has a limited budget. If no reservation is made, applications will be accepted on a first-come, first-served basis until allocated funds are spent, or by December 13, 2002, whichever comes first.

I have read and understand the program requirements and terms and conditions set forth in this application and I agree to abide by those requirements. Furthermore, I concur that I must meet all eligibility criteria in order to be paid under this program.

X — Customer Signature — Date

Customer Name (Please Print)

Installation Date (mo/day/yr)

$ Base Rebate Amount

For Utility Use Only

Control Number

Service Code S J

Post-Field Date

Rep. ID

☐ Mail check to field office.

Attention (print)

X — Reviewer/Authorized Signature #1 — Date

X — Authorized Signature #2 (if > $5,000) — Date

Date Received

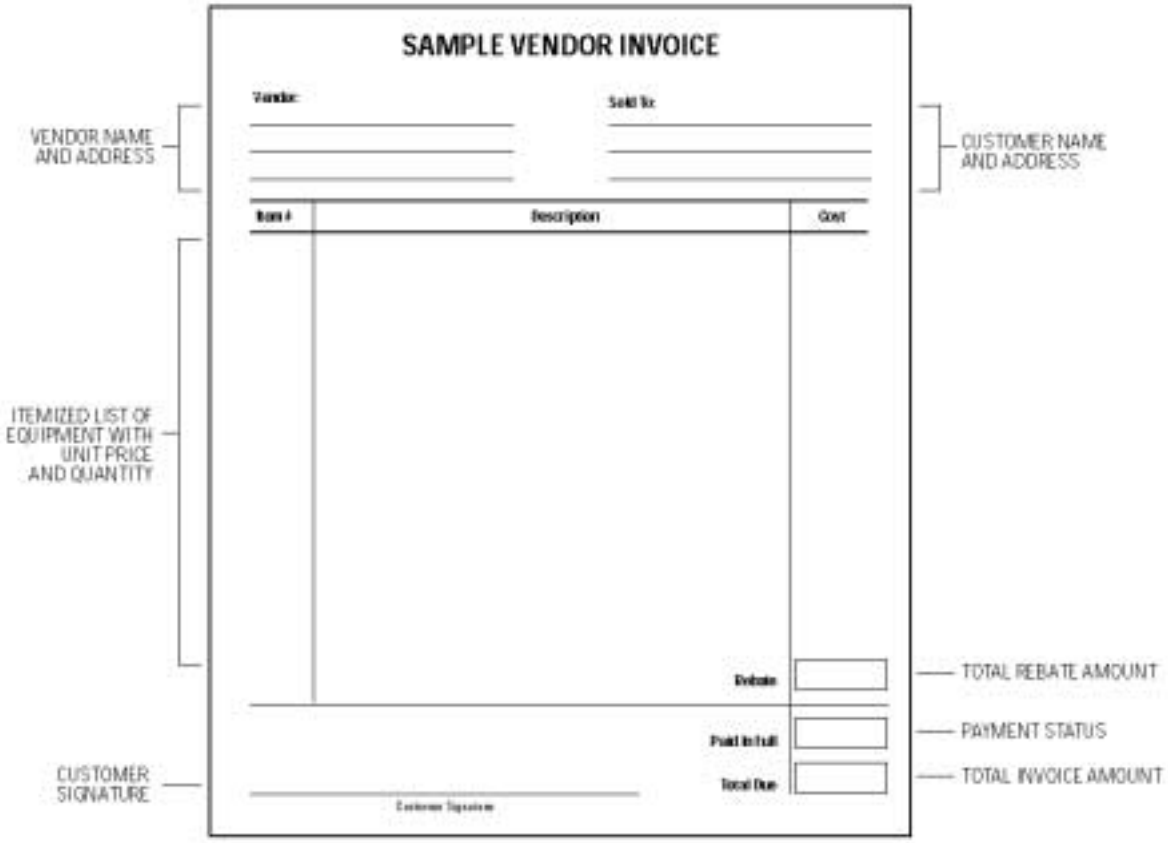
Total Rebate

This program is funded by California utility customers and administered by the state's investor-owned utilities, under the auspices of the California Public Utilities Commission.

PLEASE MAKE A COPY OF THIS DOCUMENT FOR YOUR RECORDS

© 2002 Pacific Gas & Electric (04/02)
Printed on 50% recycled, 50% post-consumer paper with soy-based ink.

STAPLE INVOICE HERE



2002 Express Efficiency

APPLICATION *at a glance*

- ☐ Equipment meets minimum requirements
- ☐ Model number and manufacturer listed on the application
- ☐ Paid itemized invoice enclosed
- ☐ Manufacturer's technical specifications enclosed
- ☐ Original signed and dated application

PG&E **Pacific Gas and Electric Company.**

2002 Express Efficiency APPLICATION

AGRICULTURAL MOTOR

CASH REBATES

for small and medium-sized business customers

WHO *is eligible?*

- Any customer with a monthly demand ≤ 500 kW per month
- Customers with multiple accounts, please call (800) 468-4743 to see if you qualify

WHAT *can you get?*

- Up to $25,000 for eligible equipment (see worksheet inside)

HOW *to apply?*

- To ensure funding availability, you must reserve funds before you purchase and install the equipment. Call (800) 468-4743 to reserve your funds
- Calculate your rebate
- Fill in and sign the Customer Information page
- Attach original, itemized invoice to this application and mail back to Pacific Gas and Electric Company Central Processing Center

PG&E **Pacific Gas and Electric Company.**

2002 Express Efficiency APPLICATION

AGRICULTURAL MOTOR

CASH REBATES

for small and medium sized business customers

Eligibility

- Customers eligible for the 2002 Express Efficiency program are defined as those commercial, industrial, and agricultural accounts with a maximum monthly demand of 500 kW and on the applicable rate schedule. Additionally, customers with more than one account, the aggregate demand for all commercial industrial and agricultural rate accounts owned cannot exceed 500 kW.
- The total rebate limit for the Express Efficiency program is $25,000 per account, per fuel, per year. This includes participation in any combination of the Lighting, Air Conditioning, LED Signs, Refrigeration, and Agricultural/Motors. Customers may apply for rebates until the limit is reached.
- Customers with larger facilities are encouraged to apply to the Standard Performance Contract program.

Requirements

- Rebate items must be installed on the Pacific Gas and Electric Company electric account listed on the application for those items.
- All purchase invoices or receipts must be dated between April 1, 2002, and December 15, 2002. All rebate items must be purchased and installed prior to submitting an application for a rebate to be considered.
- Rebates cannot be combined with other utility rebate or incentive programs.
- Equipment must meet the requirements on the reverse side. If you have questions, check with your local Pacific Gas and Electric Company office to confirm eligibility and reserve funds before purchasing products. Pacific Gas and Electric Company reserves the right to withhold payment for products that do not meet our requirements and to verify installation.
- Rebate payments are the property of the applicant (customer). The applicant may assign payment to a third party. A completed payment release form is also required.
- The selection, purchase and ownership of the equipment is the sole responsibility of the customer. Pacific Gas and Electric Company makes no representation as to the safety, reliability and/or efficiency of the equipment selected or components thereof. Pacific Gas and Electric Company makes no warranty, whether expressed or implied, including warranty of merchantability or fitness for any particular purpose, use, or application of the equipment.

How To Apply

1. To ensure funding availability, you must reserve funds before you purchase and install equipment. Call (800) 468-4743 to reserve your funds.
2. Calculate your rebate by multiplying the Quantity Purchased (Column A) times the Rebate/Unit (Column B) and write the amount in Column C. Your rebate for each product cannot exceed the price you paid for it.
3. Add all the rebate amounts in Column C and write the Base Rebate amount in the space provided at the bottom of the application.
4. On the paid, itemized invoice(s) or receipt(s), circle the energy-saving product(s) for which a rebate is requested and label each one with its category letter. Be sure that the make and model number of each item appears on the invoice.
5. Fill out and sign the Customer Information page.
6. Attach the original, itemized invoice(s) to your original application and mail in the envelope to:

Pacific Gas and Electric Company
Central Processing Center
3480 Buskirk Avenue, Suite 150
Pleasant Hill, CA 94523

This 2002 Express Efficiency Program may be modified or terminated without prior notice. Check Pacific Gas and Electric Company's web site for program modifications and updates on the program status. Please see the 2002 Express Efficiency Policies and Procedures manual (posted on our web site) for complete information and other applicable restrictions.

QUESTIONS? CALL TOLL-FREE (800) 468-4743
NEED MORE INFORMATION? VISIT OUR WEB SITE AT WWW.PGE.COM

Pacific Gas and Electric Company.

2002 Express Efficiency

AGRICULTURAL APPLICATION

(For Retrofit Projects)

Please complete reverse side of the application

Caution: Read product requirements before purchasing. Do not use correction fluid on rebate application.

Equipment Type	No. Of Items Purchased A	Rebate/Unit B			Rebate C = A x B
A. Sprinkler to Drip Irrigation	_____ Acre(s)	$44/acre	❑ Central Valley ❑ Coastal	❑ Deciduous Tree ❑ Field Vegetable ❑ Vineyard	
B. Low Pressure Sprinkler Nozzles	_____ nozzles	$.35/nozzle	❑ Central Valley ❑ Coastal	❑ Portable ❑ Permanent	
C. Variable Frequency Drives					
Dairy Vacuum Pumps	_____ hp	$34/hp			
Injection Molding Machine	_____ hp	$34/hp			

Remember, you may not earn more than $25,000 per account, per year

BASE REBATE $ _____

Pacific Gas and Electric Company reserves the right to verify installation.

For Utility Use Only

Terms and Conditions: Agricultural

A. Sprinkler to Drip Irrigation

Must convert from a high-pressure, impact-type, sprinkler irrigation system (50 psi operating pressure or more at the sprinkler head) to a micro-irrigation system. Not applicable to new plantings of vineyards or orchards unless a vineyard or orchard was the previous crop on the field. Drip tape is not eligible. Include an Assessor's Parcel Map or other documentation to verify acreage.

B. Low Pressure Sprinkler Nozzles

Must covert from a high-pressure, sprinkler system nozzle (50 psi operating pressure or more at the sprinkler head.) Must be accompanied by a pumping plant analysis to ensure reasonable pumping efficiency (45% Overall Pumping Efficiency or above) after the conversion. Portable hand move or solid set systems may apply.

C. Variable Frequency Drives (VFD's) for Dairy Vacuum Pumping Systems

Must convert from a standard, constant-speed motor controller. With the retrofitted VFD in automatic mode, the system will be controlled to maintain a constant vacuum via feedback from a vacuum transducer and without the use of any mechanical regulation. The system will be run in automatic mode except during system wash.

Variable-Frequency Drives (VFD'S) for Injection Molding Machines

VFD incentives apply to existing older type machines that do not already have "advanced controls", that are converted to VFD type machines. A qualifying machine does not currently have the capability to vary the hydraulic pump fluid flow as the machine progresses through a complete cycle. The hydraulic pump operates at a constant flow and pressure, and bypasses fluid to the sump when it is not required at specific times during the injection molding process.

Pacific Gas and Electric Company.

2002 Express Efficiency

MOTOR APPLICATION

(For Retrofit Projects)

Please complete reverse side of the application

Caution: Read product requirements before purchasing. Do not use correction fluid on rebate application.

# of motors purchased (A)	Rebate/Unit (B)	hp	Minimum Efficiency Requirements						Rebate C=AxB
			Open Drip Proof (ODP)			Totally Enclosed Fan Cooled (TEFC)			
			3600 rpm	1800 rpm	1200 rpm	3600 rpm	1800 rpm	1200 rpm	
	$35	1	.770	.855	.825	.770	.855	.825	
	$35	1.5	.840	.865	.865	.840	.865	.875	
	$35	2	.855	.865	.875	.855	.865	.885	
	$40	3	.855	.895	.885	.865	.895	.895	
	$50	5	.865	.895	.895	.885	.895	.895	
	$60	7.5	.885	.910	.902	.895	.917	.910	
	$70	10	.895	.917	.917	.902	.917	.910	
	$80	15	.902	.930	.917	.910	.924	.917	
	$90	20	.910	.930	.924	.910	.930	.917	
	$115	25	.917	.936	.930	.917	.936	.930	
	$135	30	.917	.941	.936	.917	.936	.930	
	$160	40	.924	.941	.941	.924	.941	.941	
	$200	50	.930	.945	.941	.930	.945	.941	
	$235	60	.936	.950	.945	.936	.950	.945	
	$270	75	.936	.950	.945	.936	.954	.945	
	$360	100	.936	.954	.950	.941	.954	.950	
	$540	125	.941	.954	.950	.950	.954	.950	
	$630	150	.941	.958	.954	.950	.958	.958	
	$630	200	.950	.958	.954	.954	.962	.958	

Pacific Gas and Electric Company reserves the right to verify installation.

Please detach here.

Terms and Conditions:

This program covers three phase induction motors of open drip proof (ODP), and totally enclosed and fan cooled (TEFC) classifications. These motors are also known as "open" and "closed" motors for short. Incentives are based on their Nominal Full Load Efficiencies published by CEE (Consortium for Energy Efficiency). Rebates are available on general purpose motors (TEFC & ODP) ranging in size from 1 to 200 that meet or exceed efficiency standards listed in CEE's Premium Efficiency Motor Initiative standards. The table information is located in the application. Motors not listed in the latest version of Motor Master tables are not eligible for incentives. Customers who are replacing motors that meet the above conditions should make sure that the Nominal Full Load Efficiency of the new motor will meet or exceed the qualifying efficiency level for that class enclosure type of motors.

2002 Agricultural/Motors Application (For Retrofit Projects)

Important Notice: The original application and paid itemized invoices must be received by Pacific Gas and Electric Company or postmarked no later than **December 13th, 2002.** Equipment make and model number required on all invoices.

For utility use only

Application Number

Multiple Applications

Vendor Number

Customer Information — Please Print Clearly

Pacific Gas and Electric Company Service Account Number

Rate Schedule

Taxpayer ID Number (required)

Tax Status (check one)
- ☐ Individual/Sole Prop
- ☐ Partnership
- ☐ Corporation
- ☐ Exempt

Building Type (check one)
- ☐ Office
  - ☐ Small
  - ☐ Large
- ☐ School
  - ☐ College
  - ☐ K–12
  - ☐ Daycare
- ☐ Retail
  - ☐ Small
  - ☐ Large
- ☐ Restaurant
- ☐ Hotel/Motel
- ☐ Medical
  - ☐ Hospital
  - ☐ Clinic
- ☐ Grocery
- ☐ Warehouse
- ☐ Public Assy
- ☐ Process Ind
- ☐ Misc

Name of Company

Name as it Appears on Your Utility Bill

Name of Contact Person — Title

Telephone of Contact Person — Fax Number — E-Mail Address

Address Where Item(s) Installed — Square Footage (required)

City — State — Zip

Checks Should Be Made Payable To The Following: ■ Check If Same As Above

Company Name

Mailing Address

City — State — Zip

Telephone — Fax Number

If check is to be made payable to a third party, a completed Payment Release Form is also required.

Agreement

As a qualified Pacific Gas and Electric Company customer, I certify that I purchased and installed the indicated energy saving products between April 1, 2002 and December 13, 2002, for use in my business facility and not for resale. I have attached documents establishing paid proof of purchase for the items applied for on this application. I agree to verification by Pacific Gas and Electric Company of both the sales transactions and products installation and I certify that the information on this application is true and correct, and that the tax ID provided is an accurate representation of the applicant. I understand that rebate payments are based on related energy benefits over the life of the product.

I agree that if:

1. I do not provide Pacific Gas and Electric Company with 100% of the related energy benefits specified in the application for the life of the product or for a period of five (5) years from receipt of rebate, whichever is less, or
2. I cease to be a distribution customer of Pacific Gas and Electric Company during said time period,

I shall refund a prorated amount of rebate dollars to Pacific Gas and Electric Company based on the actual period of time in which I provided the related energy benefits as an electric customer of Pacific Gas and Electric Company.

I agree that this program may be modified or terminated without prior notice.

I understand that this application and the paid itemized invoice must be received by Pacific Gas and Electric Company or postmarked no later than December 13, 2002, and that all equipment must be purchased and installed prior to submission of application.

Tax Liability

Incentives are taxable and if greater than $600 will be reported to the IRS unless you are exempt. Pacific Gas and Electric Company will report your rebate as income to you on IRS Form 1099 unless you have checked corporation or exempt tax status above. You are urged to consult your tax advisor concerning the taxability of rebates. Pacific Gas and Electric Company is not responsible for any taxes that may be imposed on your business as a result of your receipt of this rebate.

In no case will the utility pay more than 100% of the actual purchase price of the items to be rebated. This program has a limited budget. If no reservation is made, applications will be accepted on a first-come, first-served basis until allocated funds are spent, or by December 13, 2002, whichever comes first.

I have read and understand the program requirements and terms and conditions set forth in this application and I agree to abide by those requirements. Furthermore, I concur that I must meet all eligibility criteria in order to be paid under this program.

X — Customer Signature — Date

Customer Name (Please Print)

Installation Date (mo/day/yr)

$ Base Rebate Amount

For Utility Use Only

Control Number

Service Code S 5 1

Post-Field Date

Rep ID

☐ Mail check to field office.

Attention (print)

X — Reviewer/Authorized Signature #1 — Date

X — Authorized Signature #2 (if > $5,000) — Date

Date Received

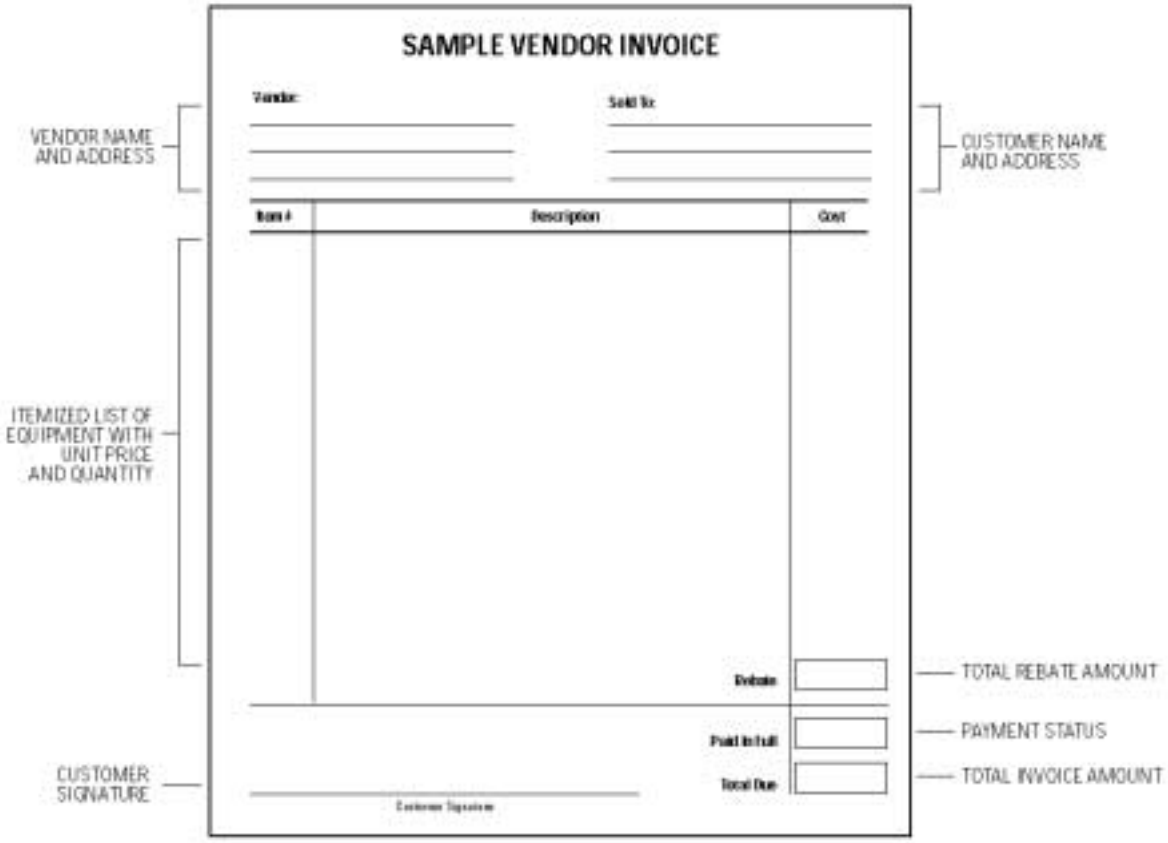
Total Rebate

This program is funded by California utility customers and administered by the state's investor-owned utilities, under the auspices of the California Public Utilities Commission.

PLEASE MAKE A COPY OF THIS DOCUMENT FOR YOUR RECORDS

© 2002 Pacific Gas & Electric (04/02)
Printed on 50% recycled, 50% post-consumer paper with soy-based ink.

STAPLE INVOICE HERE



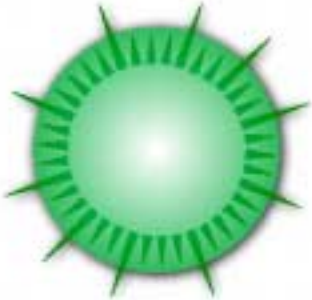
2002 Express Efficiency

APPLICATION *at a glance*

- ☐ Equipment meets minimum requirements
- ☐ Model number and manufacturer listed on the application
- ☐ Paid itemized invoice enclosed
- ☐ Manufacturer's technical specifications enclosed
- ☐ Original signed and dated application

Pacific Gas and Electric Company.

2002 Express Efficiency
LIGHTING APPLICATION



CASH REBATES
for small and medium-sized business customers

WHO is eligible?

- Any customer with a monthly demand ≤ 500 kW per month
- Customers with multiple accounts, please call (800) 468-4743 to see if you qualify

WHAT can you get?

- Up to $25,000 for eligible equipment (see worksheet inside)

HOW to apply?

- To ensure funding availability, you must reserve funds before you purchase and install the equipment. Call (800) 468-4743 to reserve your funds
- Calculate your rebate
- Fill in and sign the Customer Information page
- Attach original, itemized invoice to this application and mail back to Pacific Gas and Electric Company Central Processing Center

PG&E Pacific Gas and Electric Company.

2002 Express Efficiency

LIGHTING APPLICATION

CASH REBATES

for small and medium-sized business customers

Eligibility

- Customers eligible for the 2002 Express Efficiency program are defined as those commercial, industrial, and agricultural accounts with a maximum monthly demand of 500 kW and on the applicable rate schedule. Additionally, customers with more than one account, the aggregate demand for all commercial industrial and agricultural rate accounts owned cannot exceed 500 kW.
- The total rebate limit for the Express Efficiency program is $25,000 per account, per fuel, per year. This includes participation in any combination of the Lighting, Air Conditioning, LED Signs, Refrigeration, and Agricultural/Motors. Customers may apply for rebates until the limit is reached.
- Customers with larger facilities are encouraged to apply to the Standard Performance Contract program.

Requirements

- Rebate items must be installed on the Pacific Gas and Electric Company electric account listed on the application for those items.
- All purchase invoices or receipts must be dated between April 1, 2002, and December 13, 2002. All rebate items must be purchased and installed prior to submitting an application for a rebate to be considered.
- Rebates cannot be combined with other utility rebate or incentive programs.
- Equipment must meet the requirements on the reverse side. If you have questions, check with your local Pacific Gas and Electric Company office to confirm eligibility and reserve funds before purchasing products. Pacific Gas and Electric Company reserves the right to withhold payment for products that do not meet our requirements and to verify installation.
- Rebate payments are the property of the applicant (customer). The applicant may assign payment to a third party. A completed payment release form is also required.
- The selection, purchase and ownership of the equipment is the sole responsibility of the customer. Pacific Gas and Electric Company makes no representation as to the safety, reliability and/or efficiency of the equipment selected or components thereof. Pacific Gas and Electric Company makes no warranty, whether expressed or implied, including warranty of merchantability or fitness for any particular purpose, use, or application of the equipment.

How To Apply

1. To ensure funding availability, you must reserve funds before you purchase and install equipment. Call (800) 468-4743 to reserve your funds.
2. Calculate your rebate by multiplying the Quantity Purchased (Column A) times the Rebate/Unit (Column B) and write the amount in Column C. Your rebate for each product cannot exceed the price you paid for it.
3. Add all the rebate amounts in Column C and write the Base Rebate amount in the space provided at the bottom of the application.
4. On the paid, itemized invoice(s) or receipt(s), circle the energy-saving product(s) for which a rebate is requested and label each one with its category letter. Be sure that the make and model number of each item appears on the invoice.
5. Fill out and sign the Customer Information page.
6. Attach the original, itemized invoice(s) to your original application and mail in the envelope to:

Pacific Gas and Electric Company
Central Processing Center
3480 Buskirk Avenue, Suite 150
Pleasant Hill, CA 94523

This 2002 Express Efficiency Program may be modified or terminated without prior notice. Check Pacific Gas and Electric Company's web site for program modifications and updates on the program status. Please see the 2002 Express Efficiency Policies and Procedures manual (posted on our web site) for complete information and other applicable restrictions.

QUESTIONS? CALL TOLL-FREE (800) 468-4743

NEED MORE INFORMATION? VISIT OUR WEB SITE AT WWW.PGE.COM

Terms and Conditions: Lighting

All equipment must be new. Used or rebuilt equipment is not eligible.
If you are uncertain whether equipment qualifies, contact a utility representative.

A. Screw-in Compact Fluorescent (CF) Lamps

Rebate applies only if an incandescent lamp is being replaced. All products must be ENERGY STAR® rated. The lamp/ballast combination must have an efficacy ≥ 40 LPW. Electronic ballasts are required for lamps ≥ 18 watts. Rebate is based on lamp wattage. Cord and plug connected devices are only allowed in this category.

B. Hardwired Fluorescent Fixtures

Must replace an incandescent or mercury vapor fixture. Only complete, new fixtures and modular hardwired retrofits, where the lamp is removable from the ballast with socket removal, qualify. All products must be ENERGY STAR® rated. Cord and plug connected devices are not eligible in this category, but may apply under A. above. Rebate is based on the total nominal lamp wattage per new fixture. The lamp/ballast combination must have an efficacy ≥ 40 LPW. Electronic ballasts are required for lamps ≥ 18 watts. In addition, electronic ballasts must meet or exceed the requirements stated below in category D. Fixtures earning a rebate in this category are not eligible for additional rebates under category D or E.

C. Induction Lamps and Fixtures

Must replace existing incandescent or mercury vapor fixture. If using more than one induction lamp per fixture, it must replace a mercury vapor fixture ≥ 400 watts or an incandescent fixture ≥ 750 watts. Only complete new induction lamps or induction lamp fixtures qualify. Lamps must have an efficacy of ≥ 40 LPW for fixtures with less than 55 watts and ≥ 60 LPW for all others. Rebate is based on lamp wattage. Roadway and street lighting does not qualify, but outdoor area and parking lot lighting is eligible.

D. Electronic Ballasts

Ballasts must be high frequency (> 10 kHz), UL-listed, and warranted against mechanical or electrical defects for five years. Ballasts must have PF ≥ 0.90. Ballasts for 4-foot lamps must have THD ≤ 20% at full light output. Ballasts for 2-foot, 3-foot, and 8-foot lamps must have THD ≤ 32% at full light output. Include a manufacturer's specification sheet for each ballast model number (e.g., Magnetek B2321277L) documenting these characteristics with your application. Dimming ballasts must be controlled by a photocell or comparable device to receive the higher rebate. Dimming ballasts must control T-8 Lamps and must meet FCC part 18 requirements for electromagnetic radiation. Ballasts earning rebates in this category are not eligible for additional rebates under category B or E.

E. T-8 or T-5 Lamps with Electronic Ballasts

Must replace existing T-12 lamps with magnetic ballasts. Fixture retrofits (T-8 only) and complete new fixtures (both T-8 and T-5) apply under this category. Low bay (under 15 ft.) T-5 fixtures must be indirect only. Lamps must have CRI ≥ 70 (700-series). Electronic ballast(s) must meet or exceed the requirements stated in the D Electronic Ballast category.* Delamping is the permanent removal of existing lamps. The number of lamps claimed for a delamping rebate may not exceed the number of T-8 or T-5 lamps installed. (Note: The number of lamps removed equals the pre-retrofit lamp count minus the post-retrofit lamp count.) Customers are responsible for determining whether or not to use reflectors in combination with delamping in order to maintain adequate lighting levels. Unused lamps, lamp holders, and ballasts must be permanently removed from fixture in order to claim delamping credit. Lamps and ballasts earning rebates in this category are not eligible for additional rebates under category B or D.

For each ballast model number, include with this application a manufacturer's specification sheet documenting its characteristics.

***Premium T8 lamps** must have a minimum rated lamp life (at 3-hour starting rating) of 24,000 hours with rapid-start ballasts or 18,000 hours with instant start ballasts. Lamps must have a CRI ≥ 85 (800 series). 700 series lamps are NOT eligible.*

F. Interior High-Intensity Discharge (HID)

Must replace, one for one, existing incandescent or mercury vapor fixtures. Only complete new metal halide (including pulse start) or high-pressure sodium fixtures qualify. Metal halide or high-pressure sodium lamps must have an efficacy ≥ 60 LPW for compact sources (≤ 100 watts) and 80 LPW for standard or full-size sources (> 100 watts). All fixtures must be hardwired. Rebate is based on lamp wattage. Outdoor area, parking lot, roadway and street lighting do not qualify.

G. Exterior High-Intensity Discharge

Only outdoor area and parking lot lighting is eligible for HID fixtures. Must meet the conditions of category F (above) with the exception of location. All fixtures must be hardwired. Rebate is based on lamp wattage. Roadway and street lighting do not qualify.

H. Interior High Output Four Lamp T-5 Fixtures

Must replace (one-for-one) existing incandescent, mercury vapor, or high intensity discharge fixtures in high bay (over 15 feet) applications. Existing lamps must be a minimum of 400W. Complete new four-lamp high output (HO) T-5 fixtures qualify (maximum wattage equal to 234 watts). Fixtures earning a rebate in this category are not eligible for additional rebates under category B, D, or E. All fixtures must be hardwired and must have a reflector with a minimum of 90% reflectivity. Roadway, street lighting, outdoor area, and parking lot lighting do not qualify.

I. Interior Pulse Start Metal Halide Fixtures

Must replace existing standard metal halide lamps and ballasts, incandescent or mercury vapor lamps having a minimum of 400 watts. New lamps will have a maximum 350 watts. All fixtures must be hardwired.

J. Occupancy Sensors

Only passive infrared and/or ultrasonic detectors are eligible. Wallbox and wall- or ceiling-mounted sensors must be hardwired and control interior lighting fixtures. Wallbox lighting occupancy sensors, defined as self-contained (no exterior switchpack or relay) units designed to replace a standard wall switch, must not control more than 500 watts. Wall- or ceiling-mounted fixtures must not control more than 1,000 watts. Plug-load occupancy sensors must control electricity-using equipment in offices or cubicles or control shared copiers and/or printers.

K. Photocells

Photoelectric cells that switch outdoor lighting loads on at dusk and off at dawn qualify. Photocells may be built into the fixture or stand-alone.

L. Time Clocks

Time clock must control lighting equipment. All units must feature a minimum 5 hour battery back-up so that time is not lost during power outages.

Abbreviations

CRI	= Color Rendering Index	**PF**	= Power Factor
ETL	= Electrical Testing Laboratories	**THD**	= Total Harmonic Distortion
LPW	= Lumens Per Watt	**UL**	= Underwriters Laboratory

* A pre-inspection may be required.

Pacific Gas and Electric Company.

2002 Express Efficiency

LIGHTING APPLICATION

(For Retrofit Projects)

Please complete reverse side of the application

Caution: Read product requirements before purchasing. Do not use correction fluid on rebate application.

Equipment Type	No. Of Items Purchased A		Rebate/Unit B			Rebate C = A x B	
A. Screw-in Compact Fluorescent Lamps			One piece or two piece				
5–13 watts			$1.50/lamp				
14–26 watts			$3.50/lamp				
≥ 27 watts			$4.25/lamp				
B. Hardwired Fluorescent Fixtures							
5–13 watts			$9.00/fixture				
14–26 watts			$11.00/fixture				
	Incandescent basecode	Mercury vapor basecode	Incandescent basecode		Mercury vapor basecode	Incandescent basecode	Mercury vapor basecode
27–65 watts			$12.50/fixture		$11.50/fixture		
66–90 watts			$18.00/fixture		$17.00/fixture		
> 90 watts			$22.50/fixture		$21.50/fixture		
C. Induction Lamps and Fixtures							
< 55 watts			$6.00/lamp				
55–100 watts			$50.00/lamp				
> 100 watts			$60.00/lamp				
D. Electronic Ballasts							
Non-Dimming			$2.00/lamp controlled				
Dimming (with daylighting)			$10.00/lamp controlled				
E. T-8 or T-5 Lamps with Electronic Ballasts	Number of lamps **installed**	Number of lamps removed	Installation	Premature Lamps Installation	Delamping (permanent removal)	For lamps installed	For lamps removed
2-foot lamp			$2.00/lamp	$2.30/lamp	$1.00/lamp		
3-foot lamp			$2.75/lamp	$3.25/lamp	$1.00/lamp		
4-foot lamp			$3.75/lamp	$4.25/lamp	$1.50/lamp		
8-foot lamp			$7.50/lamp	—	$2.25/lamp		
F. Interior HID Fixtures	Incandescent basecode	Mercury vapor basecode	Incandescent basecode		Mercury vapor basecode	Incandescent basecode	Mercury vapor basecode
0–35 watts			$25.00/fixture		$23.00/fixture		
36–70 watts			$32.00/fixture		$30.00/fixture		
71–100 watts			$40.00/fixture		$38.00/fixture		
101–175 watts			$40.00/fixture		$38.00/fixture		
176–250 watts			$40.00/fixture		$38.00/fixture		
251–400 watts			$50.00/fixture		$48.00/fixture		
G. Exterior HID Fixtures	Incandescent basecode	Mercury vapor basecode	Incandescent basecode		Mercury vapor basecode	Incandescent basecode	Mercury vapor basecode
0–100 watts			$12.00/fixture		$11.00/fixture		
101–175 watts			$16.00/fixture		$15.00/fixture		
≥ 176 watts			$25.00/fixture		$24.00/fixture		
H. Interior High Output Four Lamp T-5 Fixtures			$75.00/fixture				
I. Interior Pulse Start Metal Halide Fixtures			$45.00/lamp				
J. Occupancy Sensors							
Wall-box lighting sensor			$8.25/sensor				
Wall or ceiling-mounted lighting sensor			$22.00/sensor				
Plug-load sensor			$15.00/sensor				
K. Photocells			$3.50/photocell				
L. Time Clocks			$9.00/time clock				

Remember, you may not earn more than $25,000 per account, per year

BASE REBATE $ _____

Pacific Gas and Electric Company reserves the right to verify installation.

For Utility Use Only

Please detach here.

2002 Lighting Application (For Retrofit Projects)

Important Notice: The original application and paid itemized invoices must be received by Pacific Gas and Electric Company or postmarked no later than **December 13th, 2002.** Equipment make and model number required on all invoices.

For utility use only

Application Number

Multiple Applications

Vendor Number 1

Customer Information — Please Print Clearly

Pacific Gas and Electric Company Service Account Number

Rate Schedule

Taxpayer ID Number (required)

Tax Status (check one)
- ☐ Individual/Sole Prop
- ☐ Partnership
- ☐ Corporation
- ☐ Exempt

Building Type (check one)
- ☐ Office
  - ☐ Small
  - ☐ Large
- ☐ School
  - ☐ College
  - ☐ K–12
  - ☐ Daycare
- ☐ Retail
  - ☐ Small
  - ☐ Large
- ☐ Restaurant
- ☐ Hotel/Motel
- ☐ Medical
  - ☐ Hospital
  - ☐ Clinic
- ☐ Grocery
- ☐ Warehouse
- ☐ Public Assy
- ☐ Process Ind
- ☐ Misc

Name of Company

Name as it Appears on Your Utility Bill

Name of Contact Person — Title

Telephone of Contact Person — Fax Number — E-Mail Address

Address Where Item(s) Installed — Square Footage (required)

City — State — Zip

Checks Should Be Made Payable To The Following: ■ Check If Same As Above

Company Name

Mailing Address

City — State — Zip

Telephone — Fax Number

If check is to be made payable to a third party, a completed Payment Release Form is also required.

Agreement

As a qualified Pacific Gas and Electric Company customer, I certify that I purchased and installed the indicated energy saving products between April 1, 2002 and December 13, 2002, for use in my business facility and not for resale. I have attached documents establishing paid proof of purchase for the items applied for on this application. I agree to verification by Pacific Gas and Electric Company of both the sales transactions and products installation and I certify that the information on this application is true and correct, and that the tax ID provided is an accurate representation of the applicant. I understand that rebate payments are based on related energy benefits over the life of the product.

I agree that if:

1. I do not provide Pacific Gas and Electric Company with 100% of the related energy benefits specified in the application for the life of the product or for a period of five (5) years from receipt of rebate, whichever is less, or
2. I cease to be a distribution customer of Pacific Gas and Electric Company during said time period,

I shall refund a prorated amount of rebate dollars to Pacific Gas and Electric Company based on the actual period of time in which I provided the related energy benefits as an electric customer of Pacific Gas and Electric Company.

I agree that this program may be modified or terminated without prior notice.

I understand that this application and the paid itemized invoice must be received by Pacific Gas and Electric Company or postmarked no later than December 13, 2002, and that all equipment must be purchased and installed prior to submission of application.

Tax Liability

Incentives are taxable and if greater than $600 will be reported to the IRS unless you are exempt. Pacific Gas and Electric Company will report your rebate as income to you on IRS Form 1099 unless you have checked corporation or exempt tax status above. You are urged to consult your tax advisor concerning the taxability of rebates. Pacific Gas and Electric Company is not responsible for any taxes that may be imposed on your business as a result of your receipt of this rebate.

In no case will the utility pay more than 100% of the actual purchase price of the items to be rebated. This program has a limited budget. If no reservation is made, applications will be accepted on a first-come, first-served basis until allocated funds are spent, or by December 13, 2002, whichever comes first.

I have read and understand the program requirements and terms and conditions set forth in this application and I agree to abide by those requirements. Furthermore, I concur that I must meet all eligibility criteria in order to be paid under this program.

X — Customer Signature — Date

Customer Name (Please Print)

Installation Date (mo/day/yr)

$ Base Rebate Amount

For Utility Use Only

Control Number

Service Code S 4 G

Post-Field Date

Rep ID

☐ Mail check to field office.

Attention (print)

X — Reviewer/Authorized Signature #1 — Date

X — Authorized Signature #2 (if > $5,000) — Date

Date Received

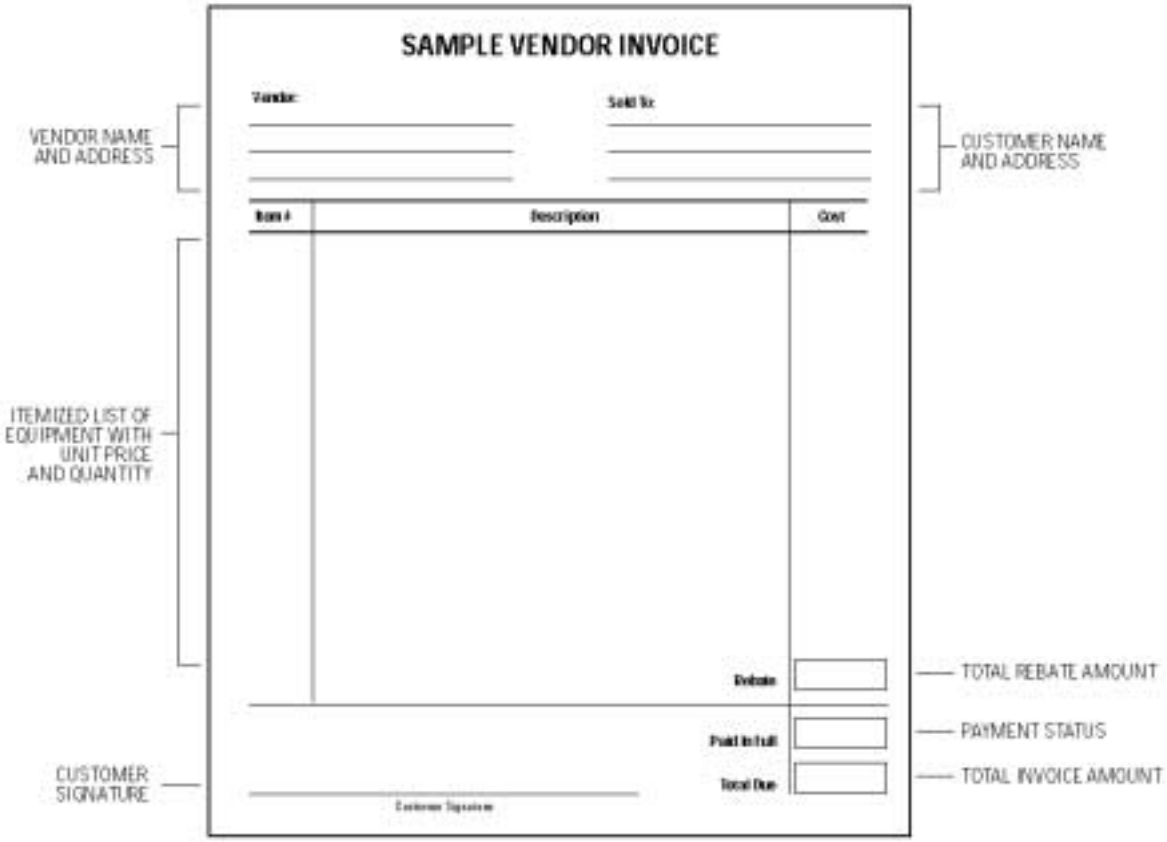
Total Rebate

This program is funded by California utility customers and administered by the state's investor-owned utilities, under the auspices of the California Public Utilities Commission.

PLEASE MAKE A COPY OF THIS DOCUMENT FOR YOUR RECORDS

© 2002 Pacific Gas & Electric (04/02)
Printed on 50% recycled, 50% post-consumer paper with soy-based ink.

STAPLE INVOICE HERE



2002 Express Efficiency

APPLICATION *at a glance*

- ☐ Equipment meets minimum requirements
- ☐ Model number and manufacturer listed on the application
- ☐ Paid itemized invoice enclosed
- ☐ Manufacturer's technical specifications enclosed
- ☐ Original signed and dated application

PG&E **Pacific Gas and Electric Company.**

2002 Express Efficiency

REFRIGERATION APPLICATION

CASH REBATES

for small and medium-sized business customers

WHO *is eligible?*

- Any customer with a monthly demand ≤ 500 kW per month
- Customers with multiple accounts, please call (800) 468-4743 to see if you qualify

WHAT *can you get?*

- Up to $25,000 for eligible equipment (see worksheet inside)

HOW *to apply?*

- To ensure funding availability, you must reserve funds before you purchase and install the equipment. Call (800) 468-4743 to reserve your funds
- Calculate your rebate
- Fill in and sign the Customer Information page
- Attach original, itemized invoice to this application and mail back to Pacific Gas and Electric Company Central Processing Center

PG&E **Pacific Gas and Electric Company.**

2002 Express Efficiency

REFRIGERATION APPLICATION

CASH REBATES

for small and medium sized business customers

Eligibility

- Customers eligible for the 2002 Express Efficiency program are defined as those commercial, industrial, and agricultural accounts with a maximum monthly demand of 500 kW and on the applicable rate schedule. Additionally, customers with more than one account, the aggregate demand for all commercial industrial and agricultural rate accounts owned cannot exceed 500 kW.
- The total rebate limit for the Express Efficiency program is $25,000 per account, per fuel, per year. This includes participation in any combination of the Lighting, Air Conditioning, LED Signs, Refrigeration, and Agricultural/Motors. Customers may apply for rebates until the limit is reached.
- Customers with larger facilities are encouraged to apply to the Standard Performance Contract program.

Requirements

- Rebate items must be installed on the Pacific Gas and Electric Company electric account listed on the application for those items.
- All purchase invoices or receipts must be dated between April 1, 2002, and December 15, 2002. All rebate items must be purchased and installed prior to submitting an application for a rebate to be considered.
- Rebates cannot be combined with other utility rebate or incentive programs.
- Equipment must meet the requirements on the reverse side. If you have questions, check with your local Pacific Gas and Electric Company office to confirm eligibility and reserve funds before purchasing products. Pacific Gas and Electric Company reserves the right to withhold payment for products that do not meet our requirements and to verify installation.
- Rebate payments are the property of the applicant (customer). The applicant may assign payment to a third party. A completed payment release form is also required.
- The selection, purchase and ownership of the equipment is the sole responsibility of the customer. Pacific Gas and Electric Company makes no representation as to the safety, reliability and/or efficiency of the equipment selected or components thereof. Pacific Gas and Electric Company makes no warranty, whether expressed or implied, including warranty of merchantability or fitness for any particular purpose, use, or application of the equipment.

How To Apply

1. To ensure funding availability, you must reserve funds before you purchase and install equipment. Call (800) 468-4743 to reserve your funds.
2. Calculate your rebate by multiplying the Quantity Purchased (Column A) times the Rebate/Unit (Column B) and write the amount in Column C. Your rebate for each product cannot exceed the price you paid for it.
3. Add all the rebate amounts in Column C and write the Base Rebate amount in the space provided at the bottom of the application.
4. On the paid, itemized invoice(s) or receipt(s), circle the energy-saving product(s) for which a rebate is requested and label each one with its category letter. Be sure that the make and model number of each item appears on the invoice.
5. Fill out and sign the Customer Information page.
6. Attach the original, itemized invoice(s) to your original application and mail in the envelope to:

Pacific Gas and Electric Company
Central Processing Center
3480 Buskirk Avenue, Suite 150
Pleasant Hill, CA 94523

This 2002 Express Efficiency Program may be modified or terminated without prior notice. Check Pacific Gas and Electric Company's web site for program modifications and updates on the program status. Please see the 2002 Express Efficiency Policies and Procedures manual (posted on our web site) for complete information and other applicable restrictions.

QUESTIONS? CALL TOLL-FREE (800) 468-4743

NEED MORE INFORMATION? VISIT OUR WEB SITE AT WWW.PGE.COM

Terms and Conditions: Refrigeration

Rebates are for existing medium and low temperature refrigeration projects. Medium temperature refers to refrigerated space temperatures between 1°F and 35°F, while low temperature covers temperatures below 0°F. Projects that involve air conditioning or other high temperature refrigeration applications are not eligible. High temperature is defined as operations involving an evaporator temperature of 45°F and higher. All equipment must be new. Used or rebuilt equipment is not eligible. Refer to Column B on the next page for rebate $/unit.

A. Night Covers for Display Cases
Must install a cover on an otherwise open display case to decrease cooling load of the refrigerated fixture. It is recommended that these film type covers have small perforated holes to decrease moisture buildup. The cover must be applied at least for a period of six hours. Customer should consider using proper compressor capacity modulation mechanisms (such as VSD or cylinder un-loader).*+o#

B. Strip Curtains for Walk-in Boxes
Must install new strip curtains or clear plastic swinging doors on doorways of walk-in boxes and refrigerated warehouses. This rebate is not available for display cases or replacement of existing strip curtains that have useful life left. Rebate is based on the square footage of the doorway.

C. & D. Glass Doors on Open Display Cases
Must install glass doors on *an existing open multi-deck display case (low or medium temperature)*. This measure can be applied to self-contained (with its own condensing unit) as well as remote condensing units. Rebate is based on number of doors installed. Customers should consider using proper compressor capacity modulation mechanisms (such as VSD or cylinder un-loader).

E. & F. New Refrigeration Display Case with Doors
Must replace an *existing open vertical display case with a new high efficiency reach-in unit with standard glass doors, equipped with ECM fan motor, T-8 lamps and electronic ballast*. This measure can be applied to self-contained as well as remote fixtures. New case length must be equal to or shorter than original case.* Customers should consider using proper compressor capacity modulation mechanisms (such as VSD or cylinder un-loader) when connecting to existing compressors.

G. New High Efficiency Refrigeration Display Case with Special Doors
Must replace an existing low temperature reach-in display case (i.e. cabinets or display case with glass doors), which is equipped with T-12 lamps, magnetic ballast, shaded pole fan motor and standard glass doors with a new high efficiency reach-in. The new reach-in should be equipped with T-8 lamps, electronic ballast, ECM fan motor(s), and special low/no anti-sweat glass doors. Glass doors of the new reach-in model should require minimum to no anti-sweat heat (for more details see Special Doors Measure). This measure can be applied to self-contained as well as remote fixtures. This measure cannot be used in conjunction with anti-sweat heat controls (I).*

H. Special Doors with Low/No Anti-Sweat Heat on Low Temperature Display Case
Must replace an existing standard glass door of a low temperature reach-in display case with a special glass door requiring minimum to no ASH (anti-sweat heat). Doors must prevent condensation from taking place within the frame assembly. Total door rail, glass, and frame heater amperage (at 120 volts) cannot exceed 0.53 amps per foot. This measure cannot be used in conjunction with anti-sweat heat controls (I). Rebate is based on number of doors replaced.

I. Anti-Sweat Heat (ASH) Controls
Must install a device that senses the relative humidity in the air outside of the display case and reduces or turns off the glass door (if applicable) and frame anti-sweat heaters at low humidity conditions. Equivalent technologies that can reduce or turn off anti-sweat heater based on the amount of condensation formed on the inner glass pane may also qualify. This measure cannot be used in conjunction with measures involving special glass doors with low/no anti-sweat heat (G) and (H).

J. Insulation for Bare Suction Lines
Must insulate bare refrigeration suction lines (the larger diameter lines that run from the evaporator to the compressor). Medium temperature lines must be insulated with 3/4-inch insulation, and low temperature lines must be insulated with 1-inch insulation. Insulation material must be flexible closed-cell nitrite rubber, or equivalent. Limited to pipe sizes of 1.5 inches or less. Rebate is not available for new equipment. Insulation exposed to outside weather must be jacketed (such as with a medium-gauge aluminum jacket) or protected from the weather in some way. This measure is applicable to small groceries (less than 5,000 sq. ft.) only. Rebate is based on the linear footage of the insulation installed.

K. Door Gaskets on Solid Doors for Walk-in Coolers or Freezers
Must replace a worn gasket on the *main insulated opaque door of a walk-in cooler or freezer*. Replacement gaskets must meet the manufacturer's specifications, specifically regarding dimensions, materials, attachment method, style, compression, and magnetism. Rebate is based on linear footage of door perimeter.

L. Door Gaskets on Glass Doors for Walk-in Coolers
Must replace a worn gasket on the *reach-in glass door of a walk-in cooler*. Replacement gaskets must meet the manufacturer's specifications, specifically regarding dimensions, materials, attachment method, style, compression, and magnetism. Rebate is based on total linear footage of all glass door perimeters.

M.&N. Auto-Closers for Coolers or Freezers
The auto-closer device should be applied to the *main insulated opaque door of a walk-in cooler or freezer*. The auto-closer must be able to firmly close the main door of the walk-in within one inch of full closure. Rebate is based on each door closer.

O. Evaporator Fan Controller for Walk-in Coolers
Must reduce air flow of evaporator fans in *medium-temperature walk-in coolers* when compressor(s) cycle off and there is no refrigerant flow through the evaporator. Must control a minimum fan load of 1/20 horsepower where the fan(s) operate continuously at full speed. Must reduce fan motor power by at least 75% during the compressor off-cycle. Do not use if any of the following conditions apply: 1) the compressor runs all the time with high duty cycle; 2) the evaporator fan does not run at full speed all the time; 3) the evaporator fan motor runs on poly-phase power; or 4) the evaporator fan motor is not shaded-pole; 5) Evaporator does not use off-cycle or time-off defrost. This measure *can not* be used in conjunction with *"Efficient Evaporator Fan Motor"* measure.

P. Air-Cooled to Evaporator-Cooled Condenser
Must replace an existing air-cooled condenser with an evaporative condenser. The replacement should take place in hot/dry inland and desert-like climates (excludes climate zones with coastal weather characteristics, i.e. California Thermal Zones #1,4,5,8,11). Replacement of a standard air-cooled condenser with a standard evaporative condenser can take place for both conventional multiplex and single compressor systems. New evaporative condenser should be sized at roughly 25°F TD (Temperature Difference) above ambient wet bulb.

Q. Energy Efficient Condenser
This measure addresses *existing multiplex systems* that can benefit from more efficient refrigeration condensers. Must replace existing condenser with an energy efficient unit equipped with several additional control mechanisms. This measure cannot be used in conjunction with *Floating Head* measure since it already includes it as part of its required features. It's only applicable to *existing* multiplex systems and does not apply to those converted from single compressor to multiplex; otherwise, see Measure R. New retrofit air-cooled systems should operate at 8°F TD for low temperature and 13°F TD for medium temperature systems with EER of 105 Btu/hr/Watt (for the condenser only). Retrofit evap-cooled systems should operate at 18°F TD above ambient wet-bulb temperature with EER of 240 Btu/hr/Watt (for the condenser only). It also includes the use of Variable Speed Drive (VSD), variable set point floating head pressure controls. Detailed requirements for the retrofit systems are available by request in a separate document.

R. High Efficiency Multiplex Compressor System with Mechanical Sub-Cooling
Replace inefficient single compressor per line-up system with a high efficiency, multiplex (parallel) system. The high efficiency features of this measure include floating head pressure by means of a variable speed fan control, and mechanical sub-cooling. In a multiplex system, multiple compressors serve a specific suction group, and each suction group serves one or more lines-ups having similar temperatures. We recommend an unevenly sized approach. Cannot be used in conjunction with Floating Head Pressure control (Measure S). For combining high efficiency multiplex compressor system with energy efficient condenser, see Measure T. Detailed requirements for this retrofit are available upon request in a separate document.
(cont on right panel)

Pacific Gas and Electric Company.

2002 Express Efficiency

REFRIGERATION APPLICATION

(For Retrofit Projects)

Please complete reverse side of the application

Service Types (check one)

1. Small Supermarket ☐
2. Medium Supermarket ☐
3. Food Service – Walk-ins ☐
4. Small Supermarket – Walk-ins ☐
5. Medium Supermarket – Walk-ins ☐
6. Cold Storage Facilities ☐

Caution: Read product requirements before purchasing. Do not use correction fluid on rebate application.

Equipment Type (applicable service types)	Quantity Purchased A	Rebate/Unit B	Rebate C = A x B
A. **Night Covers for Display Cases** (1, 2)	_____ linear ft	$3/linear ft ☐ Low-Temperature Case ☐ Medium-Temperature Case	
B. **Strip Curtains for Walk-In Boxes** (3, 4, 5, 6)	_____ square ft	$1/square ft	
C. **Glass Doors on Open Display Cases** (Low Temperature) (1, 2)	_____ doors	$100/door	
D. **Glass Doors on Open Display Cases** (Medium Temperature) (1, 2)	_____ doors	$50/door	
E. **New Refrigeration Display Case with Doors** low-temperature case (1, 2)	_____ linear ft	$200/linear ft	
F. **New Refrigeration Display Case with Doors** medium-temperature case (1, 2)	_____ linear ft	$150/linear ft	
G. **New High Efficiency Refrigeration Display Case with Special Doors (Low Temp)** (1, 2)	_____ linear ft	$200/linear ft	
H. **Special Doors with Low/No Anti-Sweat Heat on Low Temp Display Case** (1, 2)	_____ doors	$50/door	
I. **Anti-Sweat Heater (ASH) Controls** (2)	_____ linear ft	$14/linear ft	
J. **Insulation for Bare Suction Lines** (1)	_____ linear ft	$0.40/linear ft	
K. **Door Gaskets on Solid Doors for Walk-in Coolers or Freezers** (3, 4, 5, 6)	_____ linear ft	$2/linear ft ☐ For Cooler ☐ For Freezer	
L. **Door Gaskets on Glass Doors for Walk-in Coolers** (3, 4, 5)	_____ linear ft	$2/linear ft	
M. **Auto-Closers for Coolers** (3, 4, 5, 6)	_____ closer(s)	$40/closer	
N. **Auto-Closers for Freezers** (3, 4, 5, 6)	_____ closer(s)	$50/closer	
O. **Evaporator Fans Controller for Walk-In Coolers** (3, 4, 5, 6)	_____ controller(s)	$75/controller	
P. **Air-Cooled to Evaporator-Cooled Condenser** (2)	_____ hp _____ hp	$150/hp ☐ Conventional $75/hp ☐ Multiplex	
Q. **Energy Efficient Condenser (Air-Cooled)** (2)	_____ hp	$75/hp	
Evaporator-Cooled (2)	_____ hp	$50/hp	
R. **High Efficiency Multiplex Compressor System with Mechanical Sub-Cooling** (2)	_____ hp _____ hp	$200/hp ☐ Air Cooled $100/hp ☐ Evaporative Cooled	
S. **Floating Heat Pressure Controller (Air-Cooler)** (2)	_____ hp	$60/hp	
Floating Heat Pressure Controller (Evaporator-Cooled) (2)	_____ hp	$35/hp	
T. **High Efficiency Multiplex Compressor System with Mechanical Sub-Cooling and Energy Efficient Condenser** (2)	_____ hp _____ hp	$250/hp ☐ Air Cooled $125/hp ☐ Evaporative Cooled	
U. **Efficient Evaporator Fan Motor Electronically Commutated (EMC)** (2, 3, 4, 5)	_____ motor	$15/motor	
V. **Efficient Evaporator Fan Motor Permanent-Split-Capacitor (PCS) Motors** (2, 3, 4, 5)	_____ motor	$10/motor	
W. **Energy Efficient Compressors for Low Temp Application**	_____ tons	$45/ton	
X. **Vending Machine Controller**	_____ controller	$30/controller	

Remember, you may not earn more than $25,000 per account, per year

BASE REBATE $ _____

Pacific Gas and Electric Company reserves the right to verify installation.

For Utility Use Only

Please detach here.

2002 Refrigeration Application (For Retrofit Projects)

Important Notice: The original application and paid itemized invoices must be received by Pacific Gas and Electric Company or postmarked no later than **December 13th, 2002.** Equipment make and model number required on all invoices.

For utility use only
Application Number
Multiple Applications
Vendor Number

Customer Information — Please Print Clearly

Pacific Gas and Electric Company Service Account Number

Rate Schedule

Taxpayer ID Number (required)

Tax Status (check one)
- ☐ Individual/Sole Prop
- ☐ Partnership
- ☐ Corporation
- ☐ Exempt

Building Type (check one)
- ☐ Office
  - ☐ Small
  - ☐ Large
- ☐ School
  - ☐ College
  - ☐ K–12
  - ☐ Daycare
- ☐ Retail
  - ☐ Small
  - ☐ Large
- ☐ Restaurant
- ☐ Hotel/Motel
- ☐ Medical
  - ☐ Hospital
  - ☐ Clinic
- ☐ Grocery
- ☐ Warehouse
- ☐ Public Assy
- ☐ Process Ind
- ☐ Misc

Name of Company

Name as it Appears on Your Utility Bill

Name of Contact Person — Title

Telephone of Contact Person — Fax Number — E-Mail Address

Address Where Item(s) Installed — Square Footage (required)

City — State — Zip

Checks Should Be Made Payable To The Following: ■ Check If Same As Above

Company Name

Mailing Address

City — State — Zip

Telephone — Fax Number

If check is to be made payable to a third party, a completed Payment Release Form is also required.

Agreement

As a qualified Pacific Gas and Electric Company customer, I certify that I purchased and installed the indicated energy saving products between April 1, 2002 and December 13, 2002, for use in my business facility and not for resale. I have attached documents establishing paid proof of purchase for the items applied for on this application. I agree to verification by Pacific Gas and Electric Company of both the sales transactions and products installation and I certify that the information on this application is true and correct, and that the tax ID provided is an accurate representation of the applicant. I understand that rebate payments are based on related energy benefits over the life of the product.

I agree that if:

1. I do not provide Pacific Gas and Electric Company with 100% of the related energy benefits specified in the application for the life of the product or for a period of five (5) years from receipt of rebate, whichever is less, or
2. I cease to be a distribution customer of Pacific Gas and Electric Company during said time period,

I shall refund a prorated amount of rebate dollars to Pacific Gas and Electric Company based on the actual period of time in which I provided the related energy benefits as an electric customer of Pacific Gas and Electric Company.

I agree that this program may be modified or terminated without prior notice.

I understand that this application and the paid itemized invoice must be received by Pacific Gas and Electric Company or postmarked no later than December 13, 2002, and that all equipment must be purchased and installed prior to submission of application.

Tax Liability

Incentives are taxable and if greater than $600 will be reported to the IRS unless you are exempt. Pacific Gas and Electric Company will report your rebate as income to you on IRS Form 1099 unless you have checked corporation or exempt tax status above. You are urged to consult your tax advisor concerning the taxability of rebates. Pacific Gas and Electric Company is not responsible for any taxes that may be imposed on your business as a result of your receipt of this rebate.

In no case will the utility pay more than 100% of the actual purchase price of the items to be rebated. This program has a limited budget. If no reservation is made, applications will be accepted on a first-come, first-served basis until allocated funds are spent, or by December 13, 2002, whichever comes first.

I have read and understand the program requirements and terms and conditions set forth in this application and I agree to abide by those requirements. Furthermore, I concur that I must meet all eligibility criteria in order to be paid under this program.

X
Customer Signature — Date

Customer Name (Please Print)

Installation Date (mo/day/yr)

$
Base Rebate Amount

For Utility Use Only

Control Number

Service Code S 4 H

Post-Field Date

Rep ID

☐ Mail check to field office.

Attention (print)

X
Reviewer/Authorized Signature #1 — Date

X
Authorized Signature #2 (if > $5,000) — Date

Date Received

Total Rebate

This program is funded by California utility customers and administered by the state's investor-owned utilities, under the auspices of the California Public Utilities Commission.

PLEASE MAKE A COPY OF THIS DOCUMENT FOR YOUR RECORDS

© 2002 Pacific Gas & Electric (04/02)
Printed on 50% recycled, 50% post-consumer paper with soy-based ink.

STAPLE INVOICE HERE

Terms and Conditions: Refrigeration (cont.)

S. Floating Head Pressure Controller
Must convert the discharge pressure controls of an *existing multiplex system* from fixed to floating. Applicable to existing multiplexed compressor systems only. Cannot be used in conjunction with measures that already incorporate floating head pressure controls. Must use variable speed fans and variable set-point floating head control strategy. Must provide set point override to maintain a minimum Saturated Condensing Temperature (SCT) set point of 70°F. Balanced port or electronic expansion valves are recommended. Detailed requirements for this retrofit are available upon request in a separate document.

T. High Efficiency Multiplex Compressor System with Mechanical Sub-Cooling and Efficient Condenser
Replace inefficient single compressor per line-up system with a high efficiency multiplex system (Measure R) AND efficient condenser (Measure Q). Detailed requirements for this retrofit are available upon request in a separate document.

U.&V. Efficient Evaporator Fan Motor
Applicable to existing standard efficiency shaded pole evaporator fan motor of refrigerated display cases or fan coil systems in walk-ins. Shaded pole motors must be replaced by either electronically commutated (ECM) motors or permanent-split- capacitor (PSC) motors. This measure can NOT be used in conjunction with Evaporator Fan Controller Measure.

W. Energy Efficient Compressors for Low Temp Application
Must replace an existing accessible-hermetic reciprocating compressor that has an EER of 4.8-6 or less with a compressor that has an EER of 5.2 or better. Capacity and EER ratings are based on: evaporator temperature of −25°F, 105°F condensing temperature, zero sub-cooling, 5°F superheat and 65°F return gas (R-502 is used for rating these conditions only. Other low temperature refrigerants qualify also). The new replacement compressor may not have a capacity greater than 110 percent of the existing compressor. Invoice must reflect both the replacement and new compressor model numbers. Only refrigeration systems with an evaporator temperature of −10°F or less can benefit from this measure.

X. Vending Machine Controller
Energy control device for refrigerated vending machines that contain only non-perishable food items limited to bottled and canned beverages. Controller must include a passive infrared occupancy sensor to turn off fluorescent lights and compressor when surrounding area is unoccupied for 15 minutes or longer. Control logic should periodically power up machine at two hour intervals to maintain product temperature and provide compressor protection.

Refurbished vending machines that include this option are eligible.

* Rebate is based on linear footage (length in feet) of the case.
† Customer should consider using EPR and possibly resetting to higher suction temperatures when shields are applied.
◊ Customer should consider resizing TVX and resetting suction pressure to a higher value.
Case manufacturer must not have objections to the use of this measure.

2002 Express Efficiency

APPLICATION *at a glance*

- ☐ Equipment meets minimum requirements
- ☐ Model number and manufacturer listed on the application
- ☐ Paid itemized invoice enclosed
- ☐ Manufacturer's technical specifications enclosed
- ☐ Original signed and dated application

PG&E **Pacific Gas and Electric Company..**