



**2010
Energy Solutions
Commercial and Industrial Programs**

New Hampshire Electric Cooperative (NHEC): TERMS & CONDITIONS

1. Member Eligibility – Energy Saving rebates are available to all non-residential NHEC members.

- a. Small Commercial and Industrial: Annual energy use of less than 100 kilowatts (kW).
- b. Large Commercial and Industrial: Annual energy use of 100 kW and greater.
- c. New Construction and Renovation: Available to all non-residential NHEC accounts.

2. Energy Efficiency Measures (“measures”) Eligibility –

- a. Only measures that are proposed prior to purchase of equipment and its installation will be considered for rebate approval.
- b. NHEC will only approve measures that pass the cost/benefit ratio for effective energy efficiency potential.
- c. Any measure installed prior to the issuance of NHEC’s written authorization will be deemed an unauthorized installation, and NHEC will have no obligation to pay rebates for those measures.

3. Pre-Approval and Pre-Installation – Pre-approval from NHEC is required for all projects. NHEC is not bound to pay any rebates until pre-approval of the measures proposed by the member via a satisfactory pre-installation survey of the member’s facilities is completed.

4. Cost of Equipment – Prior to NHEC’s verification of member’s installation and at any other time upon NHEC’s request, the members shall supply copies of all invoices (including all materials, part numbers and descriptions freight or shipping, labor, and equipment discounts) reflecting the costs of purchasing and installing the measures. The invoices shall include a breakdown of all measures purchased for installation under this contract. In addition, NHEC may request any other reasonable documentation or verification of the cost to the member of purchasing and installing the measure. For custom measures NHEC reserves the right to use the member’s reasonable costs in order to determine the correct rebate amount.

5. Post-Installation Verification – A post inspection of the project is required before any rebates will be paid to the member. If NHEC determines that the measures were not installed in a manner that is consistent with the purpose of achieving energy savings as proposed or if the installation was not consistent with generally accepted good engineering practices and construction industry standards, NHEC may require changes before making any payments. NHEC will not pay rebates until it has

been verified that the member has received, as appropriate, final drawings, operation and maintenance manuals, and operator training, if applicable.

6. Rebates –NHEC will pay rebates to eligible members for the installation of qualifying measures and for site-specific custom measures that are pre-approved. NHEC is not obligated to pre-approve any application for a rebate that may result in exceeding the regulatory imposed budget for the program. NHEC reserves the right to stop pre-approving measures at any time without notice.

7. Rebate Payments

a. General

- (i) Before pre-approving any rebate amounts requested by the Member, NHEC reserves the right to adjust and/or negotiate the rebate amount.
- (ii) Once a rebate amount is pre-approved, NHEC will pay no more than the cost to the Member of purchasing and installing the MEASURE, or the pre-approved rebate amount, whichever is less.
- (iii) NHEC reserves the right to lower the rebate amount if the quantity and/or cost of measures actually installed by the Member differs from the pre-approved amounts. Notwithstanding any other provision of these Terms and Conditions, the NHEC reserves the right to seek a refund for rebates paid if, at any time, it learns that the agreed to measures were not actually and/or properly installed or have subsequently been disconnected.

b. Maximum Amount

There may be a maximum dollar amount of the rebate. There is no guarantee that the Member will receive the maximum amount. Check with your utility representative. The following is the method used to calculate the maximum rebate:

- (i) **Small Commercial and Industrial** – The rebates for approved measures for Small C&I accounts (< 100 kW) will be up to 50% of the installed cost.
- (ii) **Large Commercial and Industrial** –The rebates for approved measures for Large C&I accounts (100 kW or greater) will be prescriptive rebates and custom rebates designed to cover up to 35% of equipment and installation costs or a buydown of the project to a one-year payback, whichever is less.
- (iii) **New Construction and Renovation** - The rebates apply to all non-residential accounts. Rebates may be prescriptive or custom designed to cover 75% of the incremental difference in the cost of purchasing standard equipment vs. purchasing an energy efficient equivalent or a buydown of the project to a one-year payback, whichever is less.

8. Date of Rebate Payments

- a. **Existing Structures** – NHEC expects to make rebate payments within sixty (60) days of completion of satisfactory post-installation verification and verification of installation costs in accordance with the specifications.
- b. **New Construction** – NHEC expects to pay the rebates within sixty (60) days after all of the following conditions are met:
 - (i) construction of the member's facility is completed;
 - (ii) the member has received an occupancy permit;

(iii) NHEC has verified costs and satisfactory installation of the measures in accordance with the specifications.

c. Payment to Contractor - NHEC reserves the right to withhold payment of rebate to member until full payment is made to the contractor to contractor's satisfaction.

9. Balance Due - In the event that the Member has any outstanding balances due and owing to NHEC, the rebate payment may be withheld at NHEC's option, and used to offset such outstanding debt(s).

10. Payments Not Assignable to Contractors – NHEC will not pay contractors unless NHEC approves in advance such arrangement.

11. Relationship of Contractor with Member and NHEC – Contractors have no obligation to NHEC and NHEC assumes no liability for Contractors work, workmanship, damages, injuries, or any other harm caused directly or indirectly by Contractor. NHEC has no legal relationship with contractors. The legal relationship is between the contractor and the Member. NHEC may waive this provision regarding this project or on a specific project(s) at any time.

12. Installation Schedule Requirements

- a. **Existing Structures** – Measures must be installed within 90 days from the date of pre-approval or by the end of the current program year, whichever comes first. If the member is unable to meet this requirement, NHEC reserves the right to cancel the member's application.
- b. **New Construction** – If the member is not engaged in a continuous program of construction of the facility by the end of one year from the date NHEC signs the contract, NHEC reserves the right to cancel this contract.

13. Monitoring – NHEC reserves the right to perform site visits during the installation and post-installation monitoring of the installed measures to determine the actual kW and kWh reduction and energy savings.

14. Limited Scope of Review – The scope of review by NHEC of the design and installation of the measures is limited to determining whether program conditions have been met. It does not include any kind of safety review.

15. Publicity of Member Participation – Unless the member objects in writing at the time of submitting an application, NHEC may publicize the fact of the member's participation in the program, the results, the amount of rebates paid to the member, and any other information which reasonably relates to the member's participation.

16. Limitation of Liability – NHEC's liability under this contract will be limited to paying the rebates specified in the Agreement. NHEC and any of its affiliates shall not be liable to the member, contractor, or any third party for any consequential or incidental damages or for any damages, in tort (including negligence), caused by any activities associated with this Agreement or the program.

17. Disclaimer of Warranties– If NHEC staff supplies and installs measures, a one-year warranty for compact fluorescent lamps and linear fluorescent lamps shall apply from the date of installation. Fluorescent ballasts and control devices have a two-year warranty (parts and labor) from the date of installation. NHEC does not guarantee, or warrant any particular manufacturer or product. NHEC does not warrant the performance of installed equipment either expressly or implicitly. Members who install energy-efficient lighting measures are expected to replace any of the energy-efficient lights with

lights of similar or superior energy savings efficiency, at their own expense, after the manufacturer's warranty period has expired.

18. Member Must Pay All Taxes – The benefits conferred upon the member may be taxable by federal, state and local government. NHEC will not be responsible for any tax liability imposed on the member as a result of the payment of rebates.

19. Contract Entitlement to Participate – The program described in this application may be altered, suspended, or canceled by NHEC at any time and without prior notice. The member is not entitled to any program benefits or review of its application in such a circumstance. Entitlement to program participation can only occur after NHEC has signed a copy of the contract/Rebate Pre-Approval Agreement and granted pre-approval.

20. Vendor Selection – NHEC acknowledges that the member may select any non-participating vendor or contractor to perform the work specified by this contract. Notwithstanding the foregoing, the member acknowledges that NHEC has the right not to allow a vendor or contractor to participate in this program. If a member chooses a non-participating vendor or contractor it may affect the rebate level.

21. Disposal of Equipment – The member agrees, as a condition of participation in this program, at the members' cost, to the recycling of all fluorescent lamps, HID lamps, and PCB ballasts, in accordance with all laws, rules, and regulations of the state of NH, the local jurisdiction, and the government of the United States of America.

22. Removed Equipment - Member will not install any removed equipment in any facility owned or utilized by member or any other member within NHEC's service territory.

23. Disposal Of Removed Equipment - Except for equipment listed in paragraph 19 and the disposal method described, member will remove and dispose of all other equipment at its own expense in accordance with all laws, rules, and regulations of the state of NH, the local jurisdiction, and the government of the United States of America.

24. Review of Specifications, Submittals and Drawings - The Member will provide NHEC with a copy of the specifications for the construction of the Facility that will be provided to the construction contractors. Such specifications must include the measures. NHEC may refuse to pay rebates if the specifications do not adequately provide for installation of the measures consistent with good engineering and energy-efficient design practices. Member will upon request by the NHEC provide a copy of the as-built drawings and equipment submittals for the facility. The NHEC may refuse to pay rebates if the final submittals and drawings do not adequately reflect the installation of the measures consistent with the original design intent as identified on the Member application and worksheets.

25. Savings Warranty - NHEC does not guarantee or warrant any energy savings. Factors that are impossible to predict, including but not limited to facility expansion, cutbacks, a change in hours of operation, an electric rate change or structure change, self generation, weather changes, and/or other unanticipated causes all may impact the Member's future electrical energy use and cause actual savings to vary from estimated savings. Any and all guarantees and/or warranties are between the Member and the installer and/or the manufacturer of installed measures and/or equipment.

26. Miscellaneous – This contract is the entire agreement between the parties and supersedes all other communications and representations.

- a. The member acknowledges that the only individuals authorized to bind NHEC under this contract are the Energy Solutions Program Coordinator, Manager or Vice-President of the Member Solutions Division, and the President/CEO of NHEC.
- b. Paragraph/Article headings are for the convenience of the parties only and are not to be construed as part of these Terms and Conditions.
- c. If either NHEC or the member desires to modify this contract, the modification must be in writing and signed by an authorized person of both parties in order for the modification to be enforceable.
- d. If any provision of the Terms and Conditions is deemed invalid by any court or administrative body having jurisdiction, such ruling shall not invalidate any other provision, and the remaining Terms and Conditions shall remain in full force and effect in accordance with their terms.
- e. The intent of NHEC in offering these programs is to help member business accounts save money on their electricity costs. The payback on your investment in energy saving measures has been calculated and estimated based on current electric rates and operating characteristics of the member's business.
- f. A waiver of any article or term in these Terms and Conditions by NHEC does not constitute a waiver of any other article or term and does not constitute a future waiver of the article or term that was originally waved.

By signing below, member agrees to the terms and conditions contained herein. Pursuant to a Commission order, member also agrees to forgo applying directly or indirectly for any ISO-NE capacity payments or environmental credits resulting from this energy efficiency project. This agreement is contingent upon continued approval and authorization by the Commission to recover said amounts from the System Benefits Charge.

Signature of Member

Date

Print Organization Name

Signature of NHEC Representative

Date