

2017 Demand Management Program 2.0 Preliminary Application

Preliminary Application – Consolidated Edison Company of New York, Inc. (“Con Edison”) provides this preliminary application (“Application”) to potential applicants (“Applicant”) to its Demand Management Program (“Program”) to enable them to become familiar with new Program rules for 2017 in advance of the program’s launch. Applicants will be required to submit a final Application when the final Application form is made available by Con Edison and the Program is formally open for Applications. This Preliminary Application is non-binding upon the Applicant and Con Edison. The final Application may differ from this Preliminary Application.

Participant Eligibility- The Con Edison electric account holder (the “Customer”) identified in this Application must be an electric customer of Con Edison or the New York Power Authority. Program eligibility will be determined by Con Edison as part of the Application review process. Applications may be completed by: the Customer; or a third-party authorized to act on the Customer’s behalf. The party completing the Application is the Applicant.

Project Requirements

Program incentives will only be provided for projects that adhere to all Program requirements, including the following:

1. The project may not commence, and existing equipment that will be replaced or made unnecessary by the project may not be removed or disconnected, until after both a technical review and pre-installation inspection have been completed.
2. The project must reduce a minimum of 50 kW from the agreed baseline.
3. The projects must be installed and operational AND the Certificate of Completion must be delivered to Con Edison by the following dates:

Project Type	Deadline
HVAC, BMS/Controls, DR Enablement - Controls	August 1, 2017
High Efficiency Electric Chiller, Thermal Storage, Battery	September 15, 2017
Non-Electric Chiller, DR Enablement - Generator	October 16, 2017

If these deadlines are not met, Con Edison reserves the right to reduce or eliminate the incentive payment.

4. All other Program requirements, including those contained in the Terms and Conditions section hereof and on the program website, must be satisfied.

For questions regarding project eligibility, please contact Con Edison at demandmanagement@coned.com.

Customer and Facilities Information (Required, Please Type or Print)

Account Name (<i>as shown on your Con Edison bill</i>)			Con Edison Primary Account Number Assigned to Project Facility (15 Digits. If a facility is served by more than one account, list account numbers on a separate page)											
Contact Name			Contact Title											
Service Address			Day Phone											
Address 2			Email											
City	State	Zip	Square Footage				Annual Hours of Operation							
Year Built		Building Type (e.g., Office Hospital, etc.)				Multifamily # of Units			Number of Floors					

2017 Demand Management Program 2.0 Preliminary Application**Applicant Information (An applicant may be a Customer or a third-party authorized to apply for the Program on behalf of the Customer. If the Applicant is an authorized third-party, your information is required below.)**

Applicant/Company Name			Contact Name	Contact Title
Address 1			Day Phone	
Address 2			Email	
City	State	Zip	Federal Tax ID	
Check appropriate box: <input type="checkbox"/> Individual/Sole Proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Exempt Payee (W-9) <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Other Enter the tax classification (D=entity, C=corporation, P = Partnership) _____ <input type="checkbox"/> Partnership				

Site Contact Information (A site contact is an individual at the facility who can coordinate and schedule site visits.)

<input type="checkbox"/> Same as Customer/Facilities Information <input type="checkbox"/> Same as Applicant Information			Contact Name
Address 1			Contact Title
Address 2			Day Phone
City	State	Zip	Email

Decision Maker (A decision maker is an individual at the facility who determines the energy projects to pursue.)

<input type="checkbox"/> Same as Customer/Facilities Information <input type="checkbox"/> Same as Applicant Information <input type="checkbox"/> Same as Site Contact			Contact Name
Address 1			Contact Title
Address 2			Day Phone
City	State	Zip	Email

Payee (An individual or entity to whom the incentive check should be mailed. If Customer seeks to assign its right to receive the incentive payment to Applicant, it must authorize the same via a separate signature on the last page of this Application.)

Check to be Made Out To:			
Address 1			Company name (if different from above)
Address 2			Day Phone
City	State	Zip	Email

Other Program Eligibility

Are any of the proposed projects expected to participate in any other Program? <input type="checkbox"/> Yes, If so, please identify project type, program name, and expected amount of incentive		<input type="checkbox"/> No
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Proposed Project Type

What systems are associated with the proposed project/portfolio (refer to 2017 Technical Data Requirements for the Demand Management Program 2.0 for more details on each)?

- ☐ Thermal Storage
 ☐ BMS/Controls
 ☐ Demand Response (DR) Enablement - Controls
 ☐ Non-electric Cooling
- ☐ Battery Storage
 ☐ HVAC/Chiller
 ☐ DR Enablement - Back-up Generator
 ☐ Other (please specify): _____

Proposed Project Summary by Measures Listed Above. (Note: Project Details are to be provided in the Scope of Work document for the project.):

Project Type:	Peak Demand Reduction (kW)	Annual Electric Savings (kWh)	Annual Cost Savings (\$)	Total Project Cost (\$)	Start Date:	Completion Date:
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Program Rules, Terms and Conditions

PROGRAM RULES

ELIGIBILITY: Incentives are available for energy efficiency and peak demand reduction measures installed in the existing facilities of Customers in good standing. NYPA Customers are eligible to participate in the Program.

QUALIFICATION FOR INCENTIVES FROM MULTIPLE PROGRAMS: If a project qualifies for incentives pursuant to other programs, the cumulative incentive amount from all programs may not exceed 50% of the total project cost.

QUALIFYING PROJECTS: Qualifying projects that are eligible for Program incentives will include the installation of electric energy efficiency and demand management measures identified as eligible and approved by Con Edison. Due to limited funding availability, a goal to install at least 11 MW of projects in 2017, and program cost effectiveness requirements, the Company will screen projects prior to issuing an incentive offer. Projects will have highest chance of being accepted into the 2017

Program if:

- a. They can demonstrate that they will be completed by the stipulated deadline in 2017
- b. They obtain a construction permit within 30 days of receiving a Notice to Proceed. If a project is exempt from requiring a permit, acceptable proof of such an exemption must be provided in place of a permit.
- c. The ratio of estimated project cost to kW savings, as verified by Con Edison, is low for the project type. Con Edison will review cost estimates and kW estimates for accuracy.
- d. The complete application is submitted by the earlier of (1) February 3, 2017 OR (2) the day funding commitments are exhausted

Projects that are not selected for an incentive in 2017 may be considered in 2018. Projects are expected to achieve "Peak Demand Reduction" (kW) for a minimum of 10 years (the "Commitment Period"). Peak Demand Reduction is defined by measure type in the *2017 Technical Data Requirements for the Demand Management Program 2.0* (Technical Data Requirements) and occurs between the hours of 2pm and 6pm on days when (i) Con Edison initiates demand response events as part of its Commercial System Relief Program (CSRP) or (ii) the New York Independent System Operator (NYISO) initiates a demand response event as part of its Emergency Demand Response Program (EDRP) or Installed Capacity Special Case Resources (ICAP-SCR) Program. Reductions will be required during demand response events that occur Monday through Friday, from June 1 through September 30, excluding legal holidays. Customers receiving incentives for Demand Response Enablement (as defined in the Technical Data Requirements) will be required to participate in at least one of NYISO's Demand Response programs. All program requirements must be met to qualify for incentives. Project Applicants/Customers utilizing equipment with an anticipated service life of less than 10 years acknowledge and agree that they are responsible to maintain the equipment and replace components that fail during the 10 year Commitment Period with components of equal or greater energy efficiency ratings. Qualifying projects must have a combined Peak Demand Reduction of 50 kW or greater in a given facility in order to qualify for an incentive. The calculation of Peak Demand Reductions shall be determined using a baseline of existing site conditions or ASHRAE standards, where applicable. **Project baseline conditions must be verified by a pre-installation inspection** and may require measurement and verification (M & V). Con Edison will determine and deploy the appropriate required verification process. Qualifying projects may not include any electric energy efficiency and demand management measures, equipment, or services that were installed, nor may any existing equipment be removed, prior to the date of any required pre-installation inspection and/or metering. A single measure may not receive an incentive from multiple incentive categories for

the same energy savings (kWh) or demand reduction (kW). Incentives are available only for the installation of new equipment; refurbished equipment and operations and maintenance measures are not eligible. Innovative technology solutions not discussed in the Proposed Project Information section (above) will be reviewed and their eligibility will be determined on a case-by-case basis.

INCENTIVE AMOUNTS: The basis for determining the amount of incentives for which qualifying projects are eligible is set forth on the Con Edison's website and may be subject to change. Con Edison's determination of incentive amounts will be final.

APPLICATION AND REQUIRED DOCUMENTATION: Eligible Applicants must submit completed Application packages that include the minimum measure-specific information required to establish and verify baseline conditions for all proposed qualifying projects. For Applications submitted by third parties, Con Edison may request documentation of the third party's authority to bind a Customer, including any executed agreement between the third party and the Customer.

APPLICATION PACKAGE REVIEW AND INSPECTION: Con Edison will review all Applications and accompanying information for eligibility, completeness, and accuracy. As part of this review, Con Edison and/or its Contractors may conduct an on-site inspection and/or pre-installation metering of a facility's existing equipment and systems. If a proposed project does not meet Program requirement criteria, Con Edison will notify the Applicant that the Application has been rejected. To be eligible for an incentive, a pre-installation inspection and/or M & V to validate baseline conditions must be completed before the Applicant installs qualifying equipment. Con Edison reserves the right to reject any Applicant's estimates of energy savings, peak demand reduction, or project cost. The Customer and Applicant each understand that the estimated incentive amount included in any incentive offer is an estimate only. The actual amount of the incentive payable upon completion of a qualifying project will depend upon the verified kW of savings achieved (as indicated below). This incentive will be capped at an amount up to 50% of the estimated project cost, as determined by Con Edison OR the actual project cost, whichever is lower. Con Edison shall be entitled to receive a full or partial refund of incentives paid if the project is not actually and properly installed or fails to satisfy the energy savings and/or Peak Demand Reduction verified in the post-installation inspection (subject to normal degradation) for the time window prescribed in this agreement during the Commitment Period. If the project scope changes at any time prior to completion, the Customer must submit to Con Edison a completed Project Scope Change form that can be downloaded from the Program website. The Customer may not proceed with a revised scope without Con Edison's prior approval. Any unauthorized changes in scope may result in disqualification of the project or changes to the incentive offer.

INSTALLATION TIME LIMITS:

All projects must be installed and operational by the deadlines stipulated in the Project Requirements Section of this Application. Failure to meet approved deadlines may result in denial of Program incentive payments.

POST-INSTALLATION INSPECTION, MEASUREMENT AND VERIFICATION, AND INCENTIVE PAYMENT: Con Edison will conduct pre- and post-installation inspections, along with further M & V requirements that will be determined on a project-by-project basis. When the installation of all of the Project's equipment is complete, the Applicant must notify Con Edison in writing and submit the Completion Certificate (in the form provided by Con Edison) together with itemized invoices marked "PAID", specifying the quantity, purchase date, delivery date of equipment, installation costs and applicable taxes. The invoices should include those from manufacturers or distributors for the major equipment, and from major subcontractors. Con Edison or its contractor will schedule and conduct, at a minimum, a post-installation inspection, and if required, further M & V to verify performance. The Customer must be available to schedule a post-installation inspection within 10 business days of being contacted by Con Edison. Con Edison reserves the right to lower the incentive by \$300 if the installation is not complete upon inspection. Additional incentive amount (up to the entire amount) is subject to forfeiture if completion does not occur by the outside dates set forth herein. The actual incentive amount will be determined based upon the inspection and any performance data from M & V activities, and may vary from original estimates. Performance data from projects requiring further M & V will be reviewed and verified before the determination of the final incentive payment. Con Edison reserves the right to reduce or eliminate the incentive payment if the customer does not cooperate with M & V activities. Payment amounts will be adjusted based upon the actual energy savings and/or demand reductions verified by Con Edison. Incentive checks will be issued after receipt of all proper invoices and, if deemed necessary, verification of the performance of all installations. Con Edison reserves the right to make a reasonable number of pre- and post-installation visits to the facility. Such visit(s) will be at a time convenient to the applicant and made with reasonable advance notice.

TAX LIABILITY AND CREDITS: Con Edison is not responsible for any taxes that may be imposed on the Customer and/or Applicant as a result of projects installed or incentives received under this Program. Participants may wish to consult with a tax advisor regarding any tax consequences of this offer. Customer and Applicant must provide their valid Federal Tax ID Number and a W-9 form to Con Edison. The party receiving the incentive payment will be issued an appropriate Federal Tax Form concerning the incentive payment.

REMOVAL OF EQUIPMENT: As a condition of participation in the Program, the Applicant agrees that any and all project-related removal and disposal of equipment or materials will be conducted at its sole cost and expense

and in accordance with all applicable laws, rules, and regulations.

DISPUTES: Con Edison will have sole discretion to determine all matters pertaining to the Program, including, but not limited to, Customer and project eligibility, the amount of energy savings and/or Peak Demand Reduction credited, and the amount of incentives payable.

PROGRAM CHANGES: Con Edison reserves the right to change, or terminate the Program at any time and for any reason without any liability to Customer and Applicant except as expressly stated herein. Con Edison will honor all written commitments made in any incentive offers delivered to Customers prior to the date of any change or termination of the Program, provided that the applicable project installation is fully completed within the period required by this Agreement and otherwise satisfies the requirements of this Agreement.

PROGRAM EXPIRATION: Enrollment for this Program will end on December 31, 2017, when funds are depleted, or when the Program is terminated, whichever occurs first.

TERMS AND CONDITIONS

INSTALLATION REQUIREMENTS: The Customer and Applicant assume full responsibility for all installation work. The Customer and Applicant acknowledge that all work must be in full compliance with the requirements of applicable laws, rules, and regulations of all authorities having governmental and regulatory jurisdiction.

DISCLAIMER: The Applicant and Customer each acknowledge and agree that their submission of this Application and, if applicable, participation in the Program, are completely voluntary. The Applicant and the Customer further acknowledge and agree that neither Con Edison nor their affiliated entities nor its respective trustees, directors, officers, shareholders, employees, contractors, representatives or agents shall be liable to the Customer or the Applicant or any other person or entity for any and all claims, charges, complaints, causes of action, damages, losses, agreements and liabilities of any kind or nature whatsoever, whether known or unknown and whether at law or in equity, arising out of, related to or in connection with (a) any qualifying project undertaken or attempted to be undertaken by the Customer or the Applicant, including, without limitation, the removal of, installation of, or use of any equipment or demand reduction measures in connection with the Program, (b) the review, rejection or approval of this Application and/or worksheets by Con Edison or its contractors, or (c) the determination of the total incentive amounts due to the Applicant and/or the Customer.

NO REPRESENTATIONS OR WARRANTIES: NEITHER CON EDISON NOR ANY OF ITS CONTRACTORS, REPRESENTATIVES OR AGENTS, MAKE ANY REPRESENTATION OR WARRANTY OF ANY KIND (WHETHER ARISING BY IMPLICATION OR BY OPERATION OF LAW OR OTHERWISE) WITH RESPECT TO THE PROGRAM, OR PROJECT, THE ADEQUACY OF

ANY PROJECT DESIGN, PLAN, ENERGY EFFICIENCY OR DEMAND MANAGEMENT MEASURE OR EQUIPMENT, CONSTRUCTION OR INSTALLATION OR THE AMOUNT OF INCENTIVES TO BE PAID, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OR REPRESENTATIONS AS TO MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. THIS PROVISION SHALL SURVIVE THE TERMINATION OR CANCELLATION OF THE PROGRAM AND ANY PARTICIPATION THEREIN BY THE APPLICANT AND/OR CUSTOMER.

LIABILITY LIMITATION: IN NO EVENT IS EITHER CON EDISON OR ANY OF ITS CONTRACTORS, REPRESENTATIVES OR AGENTS RESPONSIBLE TO THE APPLICANT OR CUSTOMER FOR ANY DIRECT, INCIDENTAL, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, REGARDLESS OF WHETHER THOSE DAMAGES WERE FORESEEABLE.

INDEMNIFICATION: To the fullest extent permitted by law, the Customer and Applicant each, on behalf of themselves and any other person or entity claiming by and through either of them, hereby irrevocably and unconditionally releases and forever discharges, and agrees to defend, indemnify, and hold harmless Con Edison, its affiliated entities,, and their respective past, present and future officers, directors, trustees, stockholders, employees, agents, contractors, representatives, successors and assigns (collectively, the "Indemnified Parties"), from any and all claims, charges, complaints, causes of action, damages, losses, costs, interest, and liabilities of any kind or nature, whatsoever including attorney's fees, court costs, costs of experts and costs of investigation, whether known or unknown and whether at law or in equity arising from, related to or in any way connected with the (a) Applicant's or Customer's participation in the Program, including, without limitation, the removal of any equipment or the design, installation or performance of any energy efficiency or demand management measure or equipment, or (b) the Customer's or Applicant's Application to participate in the Program (whether accepted or rejected). Accordingly, Con Edison, its representatives, and contractors recommend that all Customers and Applicants consider engaging qualified engineers or other qualified consultants to evaluate the risks and benefits, if any, of participation in the Program and the implementation, operation or use of any project or measure on energy consumption, cost savings, or the operation of Customers' facilities. The Customer and Applicant understand that this Application may not be approved if Con Edison determines that the proposed project does not meet the requirements of the Program. The Customer and Applicant understand that

final payment of any incentive amounts is contingent on meeting all the terms and conditions of the Program.

GOVERNING LAW AND JURISDICTION AND VENUE:

The validity, construction and performance of these terms and conditions shall be governed by and construed in accordance with the law of the State of New York, without regard to its conflicts of law provisions. Customer and Applicant irrevocably submit and agree to the jurisdiction of the state and federal courts of the State of New York situated in New York County (i.e. Manhattan) in any action, suit or proceeding related to, or in connection with these terms and conditions and, to the extent permitted by applicable law, Customer and Applicant each waives and agrees not to assert as a defense in any such action, suit or proceeding any claim (a) that Customer or Applicant are not personally subject to the jurisdiction of such courts of the State of New York, (b) that the venue of the action, suit or proceeding is improper, (c) that the action, suit or proceeding is brought in an inconvenient forum; or (d) that the subject matter of these terms and conditions may not be enforced in or by such courts of the State of New York. Without prejudice to any other mode of service or process, Applicant and Customer each consents to service of process relating to any such proceedings by personal or prepaid mailing in registered or certified form of a copy of the process to the Customer and/or Applicant at its address set forth in this Application.

INFORMATION SHARING: Customer agrees that Con Edison may provide Customer information including Customer name, account number, electric and/or gas consumption data, and electric and/or gas energy savings to its third-party contractor for research purposes, including but not limited to, Evaluation, Market Research, and M & V. The contractor will keep Customer information confidential. Customer information may also be provided to the New York State Department of Public Service ("DPS"). While Customer information provided to the DPS is generally aggregated with information about other Customers and not personally identifiable, Con Edison will provide Customer-specific information to DPS upon DPS request. Con Edison will provide any such Customer-specific information to DPS through the DPS Records Access Officer with a request that the information be kept confidential; however, Con Edison cannot guarantee that the information will not be disclosed to the public pursuant to a request under the New York State Freedom of Information Law.

SEPARATE COUNSEL: THIS APPLICATION IS A LEGAL DOCUMENT.

Accordingly, before submitting this Application and participating in the Program, Customer and Applicant are encouraged to retain legal counsel to review these Terms and Conditions and to advise Customer and Applicant regarding their rights and obligations hereunder and the benefits and risks of participation in the Program.

Application Requirements (Please Check)

☐ Yes, I have provided a detailed Scope of Work document (SOW) and baseline requirements as stipulated in the *Technical Data Requirements*.

☐ Yes, I have signed the Program Application.

To ensure the timely processing of your Application package, please make sure that you submit all of the documentation below:

1. Completed Program Application
2. Engineering analysis, including all relevant information stated in the *Technical Data Requirements*
3. On a contractor's letterhead, Scope of Work including all relevant information stated on the information sheet titled *Technical Data Requirements*. Also, for each project checked off in the Project Type section, include a high level project cost estimate comprised of
 - o Hard Costs (Materials and Equipment)
 - o Soft Costs (Labor, Design, Permits, etc.), and
 - o Total Project Cost inclusive of all Overhead and Profit.
4. For each project type, detailed project cost estimate as described in the information sheet titled *Technical Data Requirements*
5. Cut Sheets for all equipment, including technical data and testing laboratory information
6. Project Timeline (see Estimated Start/Completion Dates section)
7. W-9 Form (May be submitted at a later date)

Have any measures proposed in your scope of work been previously submitted to Con Edison for incentives? If yes, additional eligibility requirements may apply.

☐ Yes ☐ No

Agreement and Signature (Required for all Applications)

I certify that all statements made in this Application and in all documents provided pursuant hereto are true and correct to the best of my knowledge. I agree to the terms and conditions of the Program set forth in this Application and on the Con Edison website. **A signature is required from the Account Holder and the Applicant, if different. (An Applicant may be a Customer or a third-party authorized to apply for the Program on behalf of the Customer.)**

Account Holder Name and Title (please print)	Account Holder Signature	Date
Applicant Name and Title (please print)	Applicant Signature	Date

Account Holder Assignment of Rights to Incentive to Applicant

Note: This section is only required to be completed if the Customer is authorizing Con Edison to issue the incentive payment to the Applicant

I hereby assign any right, title or interest that I may have in the incentive payment to the Applicant.

Account Holder Name (please print)	Account Holder Signature	Date
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