

Terms and Conditions & Customer Acknowledgement

Combined Heat & Power

- 1. Eligibility:** BGE incentives are available to industrial, commercial, government and institutional electric service Customers for the purchase and installation of qualifying energy-savings measures in the BGE service territory. BGE reserves the right to deny any application that may result in BGE exceeding its program budget. Incentives are offered on a first-come, first-served basis and are subject to project and Customer eligibility, availability of funds and distribution of incentives across BGE Customer base. Total incentives for are capped at \$2,500,000.
- 2. Approval and Verification:** Pre-approval is required for all CHP projects. No project may be contracted for, purchased or installed prior to the date of BGE's pre-approval. BGE reserves the right to verify sales transactions and to have reasonable access to your facility to inspect and monitor the project installed under this initiative, prior to issuing incentives. In particular, BGE is not obligated to pre-approve any application for an incentive that may result in BGE exceeding its program budget. BGE reserves the right to exclude any proposed energy saving measures based on engineering analysis.
- 3. Compliance:** All projects must comply with all federal, state and local codes. All equipment must be new. Used or rebuilt equipment is not eligible for incentives. Existing equipment must be removed and disposed of in a proper and legal manner. BGE encourages that equipment is disposed of and/or recycled in an environmentally friendly manner. Existing equipment must meet specification requirements and be purchased and operating prior to submitting the application form. Only one incentive will be granted for each project. Incentives granted to contractors, distributors or other market providers cannot also be claimed by end-use Customers.
- 4. Payment:** BGE will authorize payment upon the application's review and approval. The incentive checks will be mailed 6-8 weeks after each of the slated phases. Incomplete applications will be returned. The Customer may assign the incentive payment to a qualified contractor (if allowed). The benefits/payments conferred upon the Customer or their designated contractor through participation in this program may be taxable by the federal, state and local government. The Customer or its designated contractor is responsible for declaring and paying all such taxes.
- 5. Inspection:** BGE staff or its representatives may conduct inspections of the facility to survey the installed projects.
- 6. Publicity:** BGE reserves the right to publicize your participation in this program.
- 7. BGE/Program Logo:** Customers or market providers may not use the BGE or Program name or logo in any marketing, advertising or promotional materials without BGE's prior written permission.
- 8. Disclaimers:** BGE does not endorse any particular market provider, manufacturer, product, labor or system design by offering this program; will not be responsible for any tax liability imposed on a Customer as a result of the payment of incentives; does not expressly or implicitly warrant the performance of installed equipment or contractor's quality of work (contact your contractor for detailed warranties); is not responsible for proper and legal disposal/recycling of any waste generated as a result of this project; and is not liable for any damage caused by the installation of the equipment or for any damage caused by the malfunction of the installed equipment.
- 9. Verification:** Any Customer receiving an incentive check may be contacted by an evaluator to verify service/equipment installation or be asked to complete a written, oral or electronic Customer survey.
- 10. Incentive Repayment:** Any CHP project that exhibits significant delays in achieving project milestones as stated in the MRD may be disqualified. The applicant will need to return design incentives and forfeit any incentive claims for the project. Projects that are commissioned, but do not achieve an annual efficiency of 65% (HHV) may be deemed ineligible to receive performance payments.
- 11. Application Does Not Entitle Customer to Participate:** The program described in this application may be altered, suspended or canceled by BGE at any time without prior notice. Under such circumstances, the Customer is not entitled to any program benefits in excess of those approved prior to such action by BGE. Submission of a completed application does not entitle the Customer to program participation. Entitlement to program participation can only occur after BGE has signed a copy of the application and granted pre-approval if required by BGE.
- 12. Removal of Equipment:** The Customer agrees, as a condition of participation in the program, to remove and dispose of the equipment being replaced by project in accordance with all legal requirements. The Customer agrees to not install any of this equipment in the BGE service territory.
- 13. Evaluation Follow-up Visits:** The Customer agrees, for a period of three (3) years after the final incentive payment, to allow BGE or its assigned contractor to conduct on-site inspections to verify that the qualified measures are installed and to conduct other measurement and verification activities to assess the amount of energy savings achieved. Such activities may require the installation of energy monitoring equipment.
- 14. Changes to the Program:** BGE may change the program and the Terms & Conditions at any time without notice. Pre-approved applications, however, will be processed to completion under the Terms & Conditions in effect at the time of the pre-approval by BGE.
- 15. No Warranties:** BGE does not endorse, guarantee or warrant any particular manufacturer or product, and BGE provides no warranties, expressed or implied, for any products or services. The Customer's reliance on warranties is limited to any warranties that may arise from, or be provided by contractors, vendors, etc. The Customer acknowledges that neither BGE nor any of its consultants are responsible for assuring the design, engineering and construction of the Facility, or that the installation of the energy-savings measures is proper or complies with any particular laws (including patent laws), codes or industry standards. BGE DOES NOT MAKE ANY REPRESENTATIONS OF ANY KIND REGARDING THE RESULTS TO BE ACHIEVED BY THE ENERGY-SAVINGS MEASURES OR THE ADEQUACY OR SAFETY OF SUCH MEASURES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- 16. Limitation of Liability:** BGE's sole liability is limited to paying the properly qualified incentives specified herein. Neither BGE nor any of its affiliates shall be liable to the Customer or any other party for any indirect, consequential or incidental damages, regardless of the theory of recovery, caused by or arising from any activities associated with this program.
- 17. Vendor Selection:** BGE acknowledges that the Customer may select any vendor or contractor to perform the work contemplated by this Application, even after the Application is submitted for pre-approval by BGE. Notwithstanding the foregoing, the Customer acknowledges that BGE has the right to prohibit specific vendors or contractors from program participation for any reason or no reason.
- 18. Obligations Between the Parties:** Customer acknowledges that any contractor selected by the Customer is not an agent, contractor or subcontractor of BGE. BGE shall have no obligation to maintain, remove or perform any work whatsoever on the energy-savings measures installed. BGE shall have no liability for contractor's failure to perform, for failure of the energy-savings measures to function, for any damage to the Customer's premises caused by the contractor or for any and all damages to property or injuries to persons caused by the energy-savings measures.
- 19. Energy Benefits:** BGE is entitled to 100% of the energy benefits associated with the energy-savings measures, excluding the value of energy cost savings realized by the Customer, but including all rights to all associated PJM Energy, Capacity and Reserves Products, and the Customer agrees to provide BGE with such further documentation as BGE may request to confirm its ownership of such benefits and products.
- 20. Customer's Certification:** Customer certifies that he/she has purchased and installed the equipment listed above at the defined location. Customer agrees that all information is true and that he/she has conformed to all program and equipment requirements listed. Customer has verified that the units listed above have been installed correctly. Customer or Customer's representative has been instructed on how to operate and maintain this equipment and has received all necessary operation and maintenance manuals.

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| I. CUSTOMER INFORMATION | |
| Project Name _____ | |
| Project ID (<i>found on the welcome email, starts with BG +4 letters+10 digits</i>) _____ | |
| Street Address (<i>of the facility</i>) _____ | |
| City _____ | State _____ Zip _____ |
| Authorized Representative (<i>please print</i>) _____ | Title _____ |
| Email _____ | Telephone No. _____ |

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| II. CUSTOMER ACKNOWLEDGEMENT | |
| By signing below, I hereby certify that I am an authorized representative of the BGE customer of record for the project ID listed in Section I. I am authorized to approve the installation of the equipment on the program application. I have read and agree to the Terms & Conditions. | |
| Authorized Representative Signature _____ | Date _____ |
| Note: Upon project completion, BGE customer on record must sign and return the written pre-approval letter and provide invoices for all energy efficiency measures. | |

If the service provider completing the work or other 3rd party will be receiving the incentive directly, please authorize payment by signing below.

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| III. PAYMENT INFORMATION | |
| Payment to: <input type="checkbox"/> Customer <input type="checkbox"/> Service Provider <input type="checkbox"/> 3 rd Party | |
| Payee Company/Entity Name _____ | |
| Authorized Representative Signature _____ | Date _____ |

For more information about the program, go to BGESmartEnergy.com or call 410.290.1202.

Please submit for review to Business@BGESmartEnergy.com

EmPOWER Maryland programs are funded by a charge on your energy bill. EmPOWER programs can help you reduce your energy consumption and save you money. To learn more about EmPOWER and how you can participate, go to **BGESmartEnergy.com**.