

Pay for Performance Retrofit Program

What is this program?

The Pay for Performance program is an incentive program that pays customers for actual energy savings at the meter. Energy savings can come from building retrofits and equipment upgrades as well as from behavioral, operations and maintenance, and retro-commissioning activities. Pay for Performance pays annual incentives for all electricity/natural gas saved, rather than separate incentives for individual measures. Qualifying customers that implement whole-building energy retrofits will receive a set incentive rate for measurable savings that are achieved over the course of three years with incentive payments made at the end of each year. Incentives will be paid at \$0.08 per kWh and \$1.25 per therm.


Timeline of program:

- Customer submits this form with relevant opportunities
- Avista reviews and approves application and baseline usage is established
- Pay for Performance Agreement is sent to customer to complete
- Customer implements improvements identified in application within 1 year
- Savings are measured against base year and payment is sent to customer
- Process of savings measurement are repeated annually for the next 2 years

Who is eligible?

This program is available for any Avista commercial customers who own or operate buildings with conditioned space and have consistent and measurable energy usage. Building must have stable energy use over the past year and be metered separately, interval meters preferred. To be eligible for this program, savings from planned improvements must be identified as at least 10 percent of the metered baseline (kWh or therm) consumption. Manufacturing/Industrial processes are excluded under this program but may be eligible under the site specific path. Please contact your Avista Account Executive for more information.

Please complete this form and return to Avista:

 **Mail To:**
Avista Pay for Performance
P.O. Box 3727
Spokane, WA 99220-3727

 **Or Email:** greta.zink@avistacorp.com

For more information contact your Avista Account Executive or Greta Zink at 509-495-4793

Customer information:

| | | | |
|-----------------------------|-------|-------|-----|
| BUSINESS NAME | | | |
| PROJECT ADDRESS | CITY | STATE | ZIP |
| PRIMARY CONTACT | | | |
| EMAIL | PHONE | | |
| MAILING ADDRESS FOR PROJECT | CITY | STATE | ZIP |

Project site information:

| | |
|-------------------------|--------------------------|
| ACCOUNT NUMBER | |
| ELECTRIC METER NUMBER | NATURAL GAS METER NUMBER |
| FACILITY SQUARE FOOTAGE | BUILDING TYPE |

Authorization to release energy use and billing info:

| | | |
|--------------------------------------|------------------|------|
| SIGNATURE OR CONTACT | TITLE | DATE |
| PERSON COMPLETING THIS FORM | APPLICATION DATE | |
| SERVICE PROVIDER NAME, IF APPLICABLE | | |

Give basic description of facility:

Number of buildings/systems in project, general hours of operation, HVAC type, lighting control type, use of building, are there a lot of computers used, % of space for server rooms, etc.

List savings opportunities (may be submitted on a separate sheet):

Please provide details of all energy saving measures:

Please list measure name, include a project description, estimated project cost, kWh or therm savings and timeline for implementation for each measure. Please include details about how savings estimates were developed.

Additional Terms and Conditions for Energy Efficiency Services

This Incentive Agreement (“Agreement”) is entered into between Avista Corporation (“Avista”) and the “Customer” specified on the front of this Agreement (sometimes referred to, individually, as a “Party” and collectively, as the “Parties”) for the acquisition of electric and natural gas resource savings through improvements in the efficiency of equipment owned and operated by Customer as specified on the front of this Agreement. Therefore, the Parties agree as follows:

1. Term of Agreement. This Agreement will become effective when executed by both Parties and remain in effect: (i) until Customer’s Energy Efficiency Payment (“Payment”) has been disbursed if Customer’s Payment is less than \$50,000, OR (ii) for five (5) years from the date of implementation of the “Measures” or (“Equipment”) if Customer’s Payment is greater than \$50,000. In the event Customer fails to complete installation of the Equipment by the date specified on the front of this Agreement, this Agreement will terminate and Avista’s obligations waived.

2. Equipment Selection, Installation, Operation and Maintenance. The selection, purchase, and installation of the Equipment will be, solely, Customer’s responsibility. Avista’s evaluation of the Equipment is only for the purpose of determining Customer’s eligibility under Avista’s Energy Efficiency Program (“Program”). AVISTA MAKES NO, AND DISCLAIMS ALL IMPLIED OR EXPRESS WARRANTIES (INCLUDING, BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), AND SHALL NOT BE RESPONSIBLE FOR ANY REPRESENTATION OR PROMISE WITH RESPECT TO THE EQUIPMENT, MATERIALS, OR LABOR REQUIRED TO INSTALL THE EQUIPMENT AT CUSTOMER’S SITE ADDRESS, OR THE COST OF SUCH EQUIPMENT, MATERIALS AND LABOR, OR ANY ENERGY SAVINGS THAT MAY ACCRUE FROM THE INSTALLATION OF SUCH EQUIPMENT. Customer, at its sole expense, will be responsible for any required maintenance, repair and/or replacement of the Equipment. In the event any of the Equipment becomes defective or fails to operate properly, Customer must repair the Equipment in such a manner as to maintain or exceed the Equipment’s original energy efficiency rating or replace such Equipment with Equipment that has equal or higher efficiency ratings.

3. Payment. After completing the installation of the Equipment, Customer must provide documentation, acceptable to Avista, verifying the purchase and installation costs. The Payment will be: (i) determined solely by Avista in accordance with Schedules 90 and/or 190 (the “Tariff”); (ii) considered final; and (iii) disbursed as a one-time

payment unless another method of disbursement (including multiple cash payments over a period of time or offsets to Customer’s energy bills) is agreed to by the Parties. Customer is responsible for payment of any federal, state, or local income and/or corporate taxes associated with Customer’s receipt of the Payment.

4. Qualifying Project. This Agreement applies to only the Facility and Equipment specified on the front of this Agreement. In the event Customer requests additional projects, a new application must be filled out and submitted.

5. Inspection of Facilities. Avista may inspect the Equipment, at its option during reasonable hours, for the purpose of verifying installation of the Equipment and Customer’s compliance with its performance obligations under this Agreement. This provision does not impose upon Avista an obligation to inspect the Equipment and is not intended to substitute for or relieve Customer of any responsibilities related to the purchase, design, installation, operation and/or maintenance of such Equipment.

6. Continued Availability. The Payment is contingent upon continued funding availability through Avista’s Tariff for the Measures applicable under this Agreement.

7. Sub-metering. Customer shall: (i) permit Avista to install and maintain sub-metering equipment (at Avista’s sole expense), and (ii) provide Avista with reasonable access to such sub-metering equipment for meter reading or maintenance purposes.

8. Compliance with Laws. Customer guarantees that it, its agents and employees, and any subcontractor(s) it may retain to install or maintain the Equipment, will be familiar with, and at all times will comply with all applicable federal, state, and local laws, codes, ordinances, and/or rules and regulations pertaining to the installation, maintenance, operation and/or use of the Equipment.

9. Release of Information. Customer authorizes Avista to provide information related to the electric and/or natural gas service at the Facility including, but not limited to, Customer’s contact name and phone number, service address, pertinent usage history, and incentive information (collectively, “Customer Information”) to authorized entities who need such Customer Information to verify, without limitation, energy savings related to Measures installed at Customer’s Facility and Avista’s compliance with federal and state Energy Efficiency Standards.

10. Disclaimer and Indemnity. Customer certifies that it is voluntarily participating in the Program. Customer understands that Avista is providing funding and analysis, only, and assumes no liability for: (i) Customer's decision to enter into this Agreement; (ii) the Equipment selected by Customer; (iii) any third party selected by Customer to install such Equipment; or (iv) any disputes arising out of repair or replacement of the Equipment. Customer shall indemnify and defend Avista and its agents and employees, from all claims, losses, harm, liabilities, damages, and expenses (including attorneys' fees), or allegations of same, arising as a result of this Agreement except to the extent that any such claims, losses, harm, liabilities, damages and/or expenses (including attorneys' fees), or allegations of same, arise as a result of Avista's sole negligence.

11. Incentive Payment Reimbursement. If Customer's Payment is greater than \$50,000 and, during the 5-year term of this Agreement, Customer: (i) chooses to take electric or natural gas service from , any other supplier, or from Avista under tariffs that do not fund energy efficiency programs, (ii) fails to properly maintain or replace the Measures in accordance with this Agreement, or (iii) closes its business, (each, a "Termination Event"), this Agreement will terminate and Customer shall reimburse Avista for the pro-rated portion of the Payment that will not be recouped by Avista due to the fact that such Termination Event will result in the loss of (i) the energy savings anticipated under this Agreement, and (ii) the Program contributions contained in Avista's tariffs. In the event Customer's obligations are assigned in accordance with this Agreement, the assignee will be responsible for assuming Customer's obligations applicable under this Agreement.

12. Disposal of Existing Equipment. All equipment and materials removed and/or replaced at the Facility must be permanently disabled, sold for scrap, recycled, and/or removed from the Facility and destroyed, at Customer's expense. Customer is responsible for recycling or disposing of all equipment and materials removed in accordance with applicable law. Energy Efficiency lighting retrofits require removal of lamps and ballasts with those lamps and ballasts designated as

hazardous waste and disposed of in accordance with the Resource Conservation and Recovery Act (RCRA). NOTE: Fluorescent, neon, mercury vapor, high-pressure sodium, and metal halide lamps; and ballasts containing Polycyclic Chlorinated Biphenyl (PCB) are considered hazardous waste. Fluorescent linear tubes can be recycled at many recycling centers.

13. Assignment. This Agreement will inure to the benefit of and be binding upon the successors and assigns of the respective Parties. Neither Party may assign or transfer this Agreement without the prior written approval of the other Party (which approval will not be unreasonably withheld) except for a transfer to a parent, subsidiary, or affiliate of such Party.

14. Governing Law and Venue. This Agreement will be construed and interpreted in accordance with the laws of either the State of Washington or Idaho, depending upon the Facility Site Address, excluding any choice of law rules which may direct the application of the laws of another jurisdiction. Any action to enforce the terms of this Agreement will be brought in a court of competent jurisdiction where Customer's Facility is located.

15. Attorney's Fees. If any action is brought to enforce this Agreement, the prevailing Party in such action will be entitled to an award of reasonable attorney's fees and costs incurred in such action, in addition to any other relief available to it at law or in equity.

16. Amendment and Waiver. This Agreement may not be modified or varied except by written agreement between the Parties. If, at any time, the terms of this Agreement are not strictly adhered to or enforced, such requirements will not be deemed waived or modified but will, at all subsequent times, be deemed in full force and effect.

17. Entirety of Agreement. This Agreement: (i) is the entire agreement between the Parties concerning its subject matter and supersedes all prior agreements and understandings related to same, whether or not written; and (ii) is not intended to confer upon any entity other than Avista and Customer any rights or remedies under the Agreement.

We collect your personal information for Avista Rebate Programs. For information on what Avista collects and how we protect customer information, please refer to Avista's privacy notice at www.myavista.com/about-us/policies-and-guidelines.

Questions? Call 509-495-4793 or email greta.zink@avistacorp.com

myavista.com

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