Targeted Steam Air Conditioning Incentive Program

PROGRAM GUIDELINES – Annual Maintenance Incentives

Any Targeted Steam Air Conditioning Incentive Program (the “Program” or the “Incentive Program”) customer that has had its Steam Air Conditioning project accepted and approved by Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) may obtain incentive funding to support its ongoing steam chiller maintenance program. Eligibility for and participation in the Program, and in the maintenance incentive component thereof, is contingent upon the customer satisfying all of the criteria indicated in the Program Guidelines. The Program Guidelines governing “Eligibility Criteria and Participation Requirements” and “Steam Chiller Incentives”, together with these “Annual Maintenance Incentives” Program Guidelines, collectively comprise the Program Guidelines. All such documents, together with the form of customer agreement that you will be required to execute if you are accepted into the Program (the “Customer Agreement”) and the program application form (the “Program Application”) are available on the Company’s website at http://www.coned.com/steamac, and you are urged to read them in their entirety. You may contact Con Edison at the phone number identified in the Program Application if you have any questions. (Capitalized terms used and not defined herein have the meanings set forth elsewhere in the Program Guidelines and in the Customer Agreement).

The following are the procedural steps required for a customer to apply for and receive the Annual Maintenance Incentives:

1. **Annual Maintenance Incentive.** Con Edison will provide additional Annual Maintenance Incentives to a customer who (i) completes the process for and is eligible to receive a Steam Chiller Incentive (see “Program Guidelines – Steam Chiller Incentives” and “Program Guidelines – Eligibility Criteria and Participation Requirements”, which are available on the Company’s steam website at http://www.coned.com/steamac), (ii) indicates its desire to apply for the Annual Maintenance Incentive in the Program Application or otherwise in writing to the Company no later than thirty (30) days following the Program Application’s Submission Date, and (ii) submits a true and correct copy to Con Edison of an annual service contract entered into between customer and the manufacturer of the Incentivized Equipment (or one of its approved service providers or representatives).

2. **Remote Monitoring Bonus.** A Remote Monitoring Bonus Incentive will also be provided for any customer that also chooses to participate in a remote equipment monitoring program and satisfies the conditions described in these Program Guidelines.

3. **Incentive Amounts.** Subject to satisfaction of the conditions described in these Program Guidelines and the Customer Agreement, up to ten years of funding will be made available on an annual schedule starting on or about the first anniversary of the Incentivized Chiller Equipment’s operation.

<table>
<thead>
<tr>
<th>Maintenance Incentive Type</th>
<th>Incentive Level ($ per ton)</th>
<th>Incentive Annual Limit*</th>
<th>Term Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance Service Contract</td>
<td>$5</td>
<td>Up to $3000</td>
<td>Up to ten years on an annual schedule</td>
</tr>
<tr>
<td>Remote Monitoring Bonus</td>
<td>$2</td>
<td>Up to $1000</td>
<td></td>
</tr>
</tbody>
</table>

* Or up to the amount of the actual service contract, whichever is less

Note – The maintenance incentive funding shall only be used to maintain the applicable chiller included under the Targeted Steam AC Incentive Program.
The funding may be used for any and all maintenance activities associated with the incentivized chiller.

4. Initial Requirements. To receive any Annual Maintenance Incentive payments, customer shall submit its maintenance service agreement to Con Edison for review and approval. To be approved, such agreement must pertain exclusively to the Incentivized Equipment installed under the Program and shall be with the Incentivized Equipment’s manufacturer (or with its authorized service provider or representative). If approved, for purposes of the Maintenance Incentive component of the Program, the service agreement contract date will be deemed to be customer’s “Service Date”; the service agreement expiration date will be deemed to be customer’s “Service End Date”; and a “Service Year” will be deemed to be the year between one of the following:
   (a) Initial “Service Date” and the first anniversary of this date.
   (b) Any “Service Date” anniversary and the following anniversary.
   (c) The “Service End Date” and the previous anniversary date.

5. Annual Requirements. To receive each Annual Maintenance Incentive payment, a customer must prepare and submit to Con Edison, on an annual basis and no later than thirty (30) days following the conclusion of the applicable Service Year, the following:
   (a) Annual service contract invoices pertaining to the applicable Service Year, which (i) shall contain a detailed summary of all maintenance activity performed on the Incentivized Equipment throughout such Service Year, and (ii) shall not contain costs or information related to additional customer chillers or equipment being serviced by the same company; and
   (b) An annual summary of all tasks performed and alarms recorded under the service contact, as prepared by customer.

If customer receives multiple maintenance related invoices throughout the Service Year, customer is required to retain the same and prepare a summary table at the conclusion of such Service Year in order to receive payment. All documents associated with a Service Year must be received by Con Edison no later than thirty (30) days after the conclusion of such Service Year, and invoices from a previous Service Year may not be included in later years. The date that the service was performed should be included on all invoices and will be used to determine the Service Year to which the Maintenance Incentive payment will be applied.

6. Remote Monitoring. To receive the Remote Monitoring Bonus Incentive, the customer must enter into a contract with the manufacturer (or manufacturer approved contractor) that meets the following minimum requirements:
   (a) The equipment must be monitored from a dedicated remote facility on a 24/7/365 basis.
   (b) Upon receipt of an alarm, the contracted service must provide an automatic notification by means of e-mail, text message, automated voice message, or pager for immediate response.
   (c) The remote facility must compile and store a history of all critical alarms.
   (d) A trained technician, from the remote monitoring facility, must have the capability to diagnose and troubleshoot any issue from his/her connection interface without initiating any on-site requirement. When this is not possible, a service technician is automatically dispatched with proper information about the issue and resolution.
   (e) A trained technician, from the remote monitoring facility, must have the capability to identify changes in trending data and diagnose the issue. As required, he/she will dispatch a service technician and inform the applicant of the potential issue.
7. **Payment of Maintenance Incentives.** Upon satisfaction of the conditions set forth above (including, without limitation, submission and approval of all the required documentation within the time periods set forth above), an Annual Maintenance Incentive check will be sent to the customer at the address provided in the Program Application (which check may include a Remote Monitoring Bonus, as applicable). Maintenance Incentive payments will be made in arrears, within thirty (30) days following satisfaction of such conditions, commencing on or about the first anniversary of the initial Service Date. If the documentation provided by customer is rejected, the customer will receive an official rejection letter from Con Edison, indicating the reasons for rejection and Con Edison contact information if further discussion is desired.

8. **Con Edison’s Clawback Rights.** Annual Maintenance Incentives (including any Remote Monitoring Bonuses) are subject to certain clawback rights of Con Edison, as detailed in the Customer Agreement. All customers should review the form of Customer Agreement provided to it by Con Edison or made available on its website: [http://www.coned.com/steamac](http://www.coned.com/steamac) in detail to understand all their Program obligations.

9. **Reservation of Rights.** Con Edison reserves the right to change or terminate this Incentive Program, including the Annual Maintenance Incentive and Remote Monitoring Bonus components thereof, and to otherwise amend these and the other Program Guidelines at any time and for any reason. However, Con Edison will honor all written commitments made in Acceptance Letters (provided that a Customer Agreement is promptly entered into in accordance with the Program Guidelines) and in Customer Agreements duly executed by Con Edison, provided that customer complies with its obligations under the Program Agreement and the project installations satisfy the conditions contained in the Program Guidelines.