

Consolidated Edison Company of New York, Inc.

Request for Proposals

Non-Wires Solutions to Provide Demand Side Management for Sub transmission and Distribution System Load Relief

2019 Energy Storage System Request for Proposals

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2019 Non-Wires Solutions Energy Storage System Request for Proposals

Revision History..... 4

1. Introduction 5

2. Newtown NWS Program Overview 6

3. Timeline..... 7

4. Eligibility Requirements 8

4.1. Newtown Targeted Area 8

4.2. Qualifying Technologies 8

4.3. Demand Reduction Requirement..... 8

4.4. Additional Technologies 8

4.5. Project Completion 8

4.6. Operational Availability..... 9

5. NWS ESS Program Requirements..... 9

5.1. NWS ESS Operational Period..... 9

5.2. Incentive Payment..... 9

5.3. Other Incentives, Con Edison programs, and Market Revenues 9

5.4. Security Requirement..... 10

5.5. Submit Customer Acquisitions 10

5.6. Submit Permitting Documentation 10

5.7. Install Equipment and Operational Status 11

5.8. Post-Installation Inspection..... 11

6. Proposal Requirements..... 12

6.1. Program Application..... 12

6.2. Clarification Questions 12

6.3. Proposal Submittal Instructions 13

6.4. Proposal Response Format 13

6.5. ESS Proposal Evaluation Criteria 15

6.6. Proposal Award 16

7. Collusion and Other Prohibited Activities 16

8. Definitions 17

2019 Non-Wires Solutions Energy Storage System Request for Proposals

Appendix A: Supplemental Information on Network Overloads, Maps, and Customer Demographics 18

Appendix B: Respondent Checklist Form 26

Appendix C: Non-Wires Solutions Energy Storage Program Agreement 27

2019 Non-Wires Solutions Energy Storage System Request for Proposals

2019 Newtown Non-Wires Solutions Energy Storage System Request for Proposals

Revision History

| Date | Version | Revisions |
|---------------|-----------------|-----------|
| June 14, 2019 | Initial Release | N/A |

2019 Non-Wires Solutions Energy Storage System Request for Proposals

1. Introduction

Consolidated Edison Company of New York, Inc. (“Con Edison”, or “The Company”) is requesting proposals for Energy Storage Systems (ESS) that can be incorporated into a broader Non-Wires Solution (NWS) portfolio currently under evaluation. The Company seeks cost-effective, ESS technologies for operational availability starting as early as May 1, 2021 within the Newtown targeted areas. Con Edison expects to enter into contracts with parties able to provide guaranteed load relief capacity for at least ten (10) concurrent summer seasons.

Respondents to this Request for Proposals (RFP) can be either solution providers or eligible customers in the defined NWS area. Projects can be proposed as Behind-the-meter (BTM) or Front-of-the-meter (FTM) solutions, with the expectation that the Company will prioritize solutions that are cost-effective and contribute the greatest benefits to customers. Respondents may submit multiple ESS projects within the proposal. Con Edison may choose to select individual projects and the respective incentive request within a proposal unless the Respondent specifically indicates that solutions are mutually exclusive or must be viewed as a comprehensive portfolio.

Responses to this RFP should reflect financial pricing and incentive requests consistent with operation of the ESS as outlined in the Non-Wires Solutions Energy Storage Program Agreement (Appendix C). A response to this RFP indicates to the Company that the Respondent is willing to enter into a contract that comprises:

- Con Edison purchasing, and the Respondent providing, full dispatch rights to the ESS Project during the Summer Capability Period (May 1 through September 30) with day-ahead notification of the dispatch, for the duration of 10 concurrent summer seasons.
- Con Edison reserving the right to dispatch the ESS resource at different times of the overload period and at different power levels with day ahead notification throughout the Summer Capability Period.
- The Respondent meeting the requirements of the Company as the primary dispatch obligation before operating the ESS for host-sites, applicable markets or any other obligation or arrangement.
- The Respondent securing Project sites that endure for 10 concurrent summer delivery periods.
- The Respondent entering into agreements with customer host-sites to provide demand charge savings and/or providing Distribution Services to applicable markets to maximize current and future revenue streams.
- The Respondent sharing revenue streams from New York Independent System Operator (NYISO) market participation as a credit towards Con Edison’s reservation payment. The shared revenue split is 75% to Con Edison, 25% to the Respondent. Excludes revenue streams from customer demand bill savings, Value Stack compensation, and available incentives from New York State Energy Research and Development Authority (NYSERDA).
- Con Edison receiving no compensation or bearing no cost or liability associated with Respondent agreements to host-site or other parties outside of the agreement between Con Edison and the Respondent.

2019 Non-Wires Solutions Energy Storage System Request for Proposals

- The Respondent not participating in or receiving compensation from Con Edison's Demand Response (e.g. CSRP or DLRP), or Demand Management Programs for duration of 10 Summer Capability Periods.
- The Respondent not participating in future Con Edison or other programs if they interfere with Con Edison's ability to fully dispatch the ESS unit(s) as part of the agreement.

If Con Edison no longer needs the Respondent's ESS solution for load relief before the conclusion of 10 Summer Capability Periods, the Company will notify the Respondent by April 1 prior to the next Summer Capability Period. In such circumstances the respondent is required to maximize market revenue streams to buy-down Con Edison's remaining Reservation Payments. Con Edison will continue making remaining Reservation Payments for the agreement term less 75% of shared revenues (i.e., compensation from NYISO market participation).

2. Newtown NWS Program Overview

Newtown NWS Program Background

Load growth in the Borden, Sunnyside, and Maspeth networks in Queens supplied by the Vernon – Newtown/Glendale 138kV sub-transmission feeders and the Newtown Area Substation is projected to create deficiencies within the next 10 years. To alleviate the projected deficiencies, a 40 MW load transfer would be necessary prior to May 1, 2021.

The Company initially issued a Non-Wires RFP on July 6, 2018 to defer or eliminate the Newtown Transformer Installation project, then identified to provide load relief for Newtown area substation by May 1, 2022.. The Company's latest load forecast shows accelerated load growth in this area and, as a result, the Company has identified the aforementioned load transfer instead as the updated traditional solution to meet the increased deficiencies identified by May 1, 2021.

The Company is issuing this ESS RFP on an expedited timeline to make a determination by end of the summer if a Non-Wires Solution is feasible for the updated traditional solution.

The Company received ESS solutions as part of the original Newtown RFP and expects to build storage into the portfolio. In order to maximize benefits to customers and provide a fair and equitable solicitation process for potential solution providers, the Company is releasing this RFP for the ESS portion of the portfolio for Newtown, so battery solutions can be eligible for NYSERDA retail energy storage incentives.

The primary goal of this RFP is to procure energy storage resources to address load relief needs with prioritization given to solutions available starting May 1, 2021.

2019 Non-Wires Solutions Energy Storage System Request for Proposals

Load Relief Need

This NWS RFP has been issued to solicit ESS proposals to meet a total load relief need of approximately 10 MW nameplate, end of life in the Newtown substation areas in Queens by summer 2022. The Company will give preference to projects operational by May 1, 2021, and will procure above the minimum needed, if possible. The overall Newtown NWS load relief need (of which ESS is part of addressing this need) at the peak hour is approximately 21 MW. Table 1 below summarizes the targeted networks, peak hours and minimum cumulative ESS capacity need for summers 2021 and 2022.

| CECONY Substation Name | CECONY Electric Network | Overload Period/On-Peak Hours (Hour Ending) | Cumulative ESS Capacity: 2021-2022 |
|------------------------|--------------------------------|---|------------------------------------|
| Newtown | Borden, Sunnyside, and Maspeth | 12 – 22 | ~10 MW |

Table 1. Summary of Newtown Load Relief Need

3. Timeline

The Company has established the following schedule for RFP responses and important project milestones. Winning Respondents must comply with the schedule.

| Date | 2019 Newtown NWS ESS Program |
|-------------------------|---|
| June 14, 2019 | Release Newtown NWS ESS RFP |
| June 28, 2019 | Respondents submit clarification questions |
| July 5, 2019 | Con Edison responds to clarification questions |
| July 12, 2019 | Deadline for enablement in Con Edison's Oracle system |
| July 19, 2019 | RFP Response deadline |
| August 2, 2019 | RFP Award/Notification |
| August 30, 2019 | Expected contract execution date |
| October 30, 2019 | Security Requirement due for awarded proposals |
| January 31, 2020 | Customer Acquisition Deadline for May 1 2021 projects |
| June 30, 2020 | Customer Acquisition Deadline for May 1, 2022 projects |
| May 1, 2021 | Deadline for guaranteed ESS capacity installed and operational for summer performance |
| May 1, 2022 | Deadline for guaranteed ESS capacity installed and operational for summer performance |

Table 2: 2019 Newtown NWS ESS Program Timeline

2019 Non-Wires Solutions Energy Storage System Request for Proposals

4. Eligibility Requirements

Eligible RFP responses must ensure proposed projects adhere to the following criteria:

4.1. Newtown Targeted Area

Eligible Projects must fall within the Newtown targeted areas; see Appendix A for network area maps. The network maps provide an indicator of eligible customers' locations; however Con Edison must verify customer eligibility using electric account numbers. The Company recommends that Respondents with customers that may fall within the targeted areas email DSM@coned.com to verify their network eligibility. Verification of customer eligibility is a requirement prior to project installation.

4.2. Qualifying Technologies

Qualifying technologies are limited to electric energy storage systems, though eligible ESS chemistries, materials, and manufacturers are not restricted. A project can be sited on either side of the customer's electric meter (i.e. the project can be a Behind-the-Meter (BTM) or in Front-of-the-Meter (FTM) solution). The Company will prioritize and select cost-effective projects which bring the most benefits to ratepayers, including those that can provide direct customer value.

4.3. Demand Reduction Requirement

There is no minimum Peak Demand Reduction requirement and individual ESS projects are limited to a maximum 5 MW of rated output. A proposed project or portfolio must be available to provide load reduction for a minimum of four (4) consecutive hours when called upon via day-ahead notification. Estimates of host site value from demand reduction should be included in the proposal.

4.4. Additional Technologies

Any awarded Con Edison NWS incentive will be limited to the ESS portion of the portfolio's technology mix. If your proposed solution includes other DG technologies for integration with the ESS system, such as solar photovoltaics, combined heat and power, fuel cells, or other generators, please note in the RFP response. Con Edison will not consider stand-alone distributed generation technologies as part of this RFP.

4.5. Project Completion

Winning proposals will demonstrate competency in acquiring customers, navigating permitting and interconnection requirements, and operating ESS technologies in accordance with the Non-Wires Solutions Energy Storage Program Agreement (see Appendix C). Respondents receiving awards under

2019 Non-Wires Solutions Energy Storage System Request for Proposals

this RFP must have projects operationally available to Con Edison by May 1, 2021 and/or May 1, 2022. The Company will prioritize proposed solutions available starting May 1, 2021.

4.6. Operational Availability

Projects must be able to provide contracted load reduction services during the Overload Period, with day-ahead notification, of an NWS Event. Failure to meet contracted Demand Reduction during NWS Event days may result in liquidated damages; refer to the NWS Energy Storage Program Agreement (Appendix C) for more details.

5. NWS ESS Program Requirements

5.1. NWS ESS Operational Period

Participation in this Con Edison NWS Program requires the ESS solution to operate according to program needs during the Summer Capability Period for ten (10) consecutive summers following installation. After this NWS ESS operational period, the respondent and the ESS asset are released from NWS Program obligations.

5.2. Incentive Payment

Fifty percent of the awarded incentive amount will be paid upon installation and operation of the Project. Remaining incentive payments will be issued annually following the summer capability period and adjusted based upon performance verification and shared revenues. See Appendix C for additional information.

5.3. Other Incentives, Con Edison programs, and Market Revenues

Other Incentives: On April 25, 2019 the New York State Energy Research and Development Authority (NYSERDA) filed its approved Energy Storage Market Acceleration Incentives Implementation Plan. The Retail Storage Incentives described therein provide an additional potential source of funds to reduce the level of incentive requested from Con Edison and improve project economics. Con Edison expects that RFP Respondents will also seek this NYSEDA Retail Storage Incentive to fund projects. Please visit NYSEDA's [Energy Storage Incentive Program](#) for more information.

Con Edison Programs: NWS-participating ESS projects are required to be fully available to Con Edison during all hours of the Summer Capability Period for the critical purposes of network peak load reduction. Accordingly, NWS-participating projects are not eligible to participate in other Con Edison incentive programs, including Demand Response programs (e.g. Commercial System Relief Program,

2019 Non-Wires Solutions Energy Storage System Request for Proposals

Distribution Load Relief Program) and must prioritize operation of the ESS project for Non-Wires operation over other arrangements.

Market Revenues: For the purposes of this RFP, market revenues are defined as anticipated income from operating the ESS outside of the project's obligations under terms and conditions in the NWS Energy Storage Program Agreement. Market revenue opportunities specifically include participation in the NYISO market such as Special Case Reserve (SCR) and other future revenue streams from frequency regulation and/or dual participation in NYISO wholesale capacity markets. Con Edison expects to share such market revenues with the Respondent. See Appendix C for more detail.

5.4. Security Requirement

Financial assurances will be required to ensure that qualifying technologies will be installed and operational on or before the contracted in-service date. Selected respondents must submit security by the security deadline of October 30, 2019. Security will be calculated at \$150 per kW of Demand Reduction or 30 percent of the requested incentive, whichever is less.

If a Respondent is awarded an incentive on the award date, the security will be returned after the initial summer performance period. Security will be forfeited by any cancelled project with an executed contract.

5.5. Submit Customer Acquisitions

Awarded May 1, 2021 Projects will be required to provide a list of customers acquired for ESS deployment by January 31, 2020. If an awarded applicant is unable to provide a reasonable list of customer acquisitions by this date, the Company reserves the right to terminate the agreement and make other arrangements to meet the load relief need for May 1, 2021.

Awarded May 1, 2022 Projects will be required to provide a list of customers acquired for ESS deployment by June 30, 2020. If an awarded applicant is unable to provide a reasonable list of customer acquisitions by this date, the Company reserves the right to terminate the agreement and make other arrangements to meet the load relief need for May 1, 2022.

5.6. Submit Permitting Documentation

To ensure that the Project is moving forward, a construction permit or proof of permit submission must be submitted to Con Edison once obtained.

2019 Non-Wires Solutions Energy Storage System Request for Proposals

For lead acid battery Projects, receipt of submission of the TM-1 application¹, as instructed by Fire Department of City of New York (“FDNY”), is required. When filing the TM-1 application to the FDNY, please ensure all technology is UL listed, and submit a cover letter that states participation in the Con Edison NWS Program, including the program year, and all applicable deadlines.

For other battery types, a Letter of No Objection from the FDNY is required.

5.7. Install Equipment and Operational Status

Con Edison reserves the right to hold periodic Project status calls with Respondents to determine whether the Project is on schedule and to assess any aspects that require assistance from Con Edison.

If there is a change in the Scope of Work, Con Edison must be notified and all work must stop until Con Edison gives the go-ahead to proceed. If the change in the Scope of Work results in a lower Peak Demand Reduction or Capacity, Con Edison will adjust the total incentive awarded based on the new Demand Reduction at the awarded incentive rate (\$/kW).

After the equipment is fully operational, the Respondent must sign and deliver the Certificate of Completion along with all itemized invoices to Con Edison by **May 1, 2021 and/or May 1, 2022**.

5.8. Post-Installation Inspection

Con Edison reserves the right to inspect the post-installation condition of the site to ensure operational availability and conduct initial performance testing. If it deems necessary, Con Edison will install data loggers or download BMS data for M&V purposes.

All awarded incentives will be subject to change based on the determination of Demand Reduction through the post-installation M&V process.

Post-installation inspection data collection and analysis must begin no later than **May 1, 2021 for projects awarded for May 2021**.

¹ http://www.nyc.gov/html/fdny/pdf/fire_prevention/otmb_tm_1.pdf

2019 Non-Wires Solutions Energy Storage System Request for Proposals

6. Proposal Requirements

6.1. Program Application

Respondents must submit the following completed documents in order to be eligible for the incentive:

- NWS Questionnaire & Cash Flow Template
- ESS Proposal Response (See Section 6.3 for response format)

6.1.0 Proposal Submission Deadline: The above documents must be submitted to Con Edison by **July 19, 2019**. All responses to this proposal will be treated as confidential.

6.1.1. Proposal Structure: Each Respondent is limited to one (1) ESS Proposal Response and one (1) complete NWS Questionnaire & Cash Flow Template.

6.1.2 Cost Information in Proposal Response: Do not include any cost information in the ESS Proposal Response. Any project-specific cost information, including Con Edison Requested Incentive should only be included in the NWS Questionnaire and ESS Cash Flow Template.

6.1.3 Incentive Bid: Bids will be reviewed on a \$ per kW basis for a minimum four-hour ESS discharge duration. Cost competitiveness is an important proposal evaluation criterion and therefore lower incentive bids will be looked upon favorably.

6.1.4 Individual Projects vs. a Portfolio: Proposals that provide multiple ESS projects and pricing (i.e. a portfolio) should clearly indicate in their response whether Con Edison may select individually priced projects or if the project portfolio and pricing provided should be viewed as a whole.

6.2. Clarification Questions

All Respondents should direct questions during the clarification question timeframe via email to Michael Heaton, heatonm@coned.com, of Con Edison's Supply Chain Department. All questions and answers deemed essential for the viable submission of a bid response will be publicly posted at www.coned.com/nonwires. Respondent names will be kept confidential. Respondents must not reach out to other Con Edison personnel regarding this RFP.

The Company will have no obligation to evaluate late submissions, nor be responsible in any way for any consequences associated with late submissions.

2019 Non-Wires Solutions Energy Storage System Request for Proposals

6.3. Proposal Submittal Instructions

All proposals must be submitted through the Oracle RFQ System on or prior to the due date and time. Respondents who fail to submit by the due date and time will be locked out of the Oracle RFQ System. Therefore, Respondents are encouraged to upload submissions well in advance of the closing time to avoid any potential issues that may occur, including any unfamiliarity with the Oracle RFQ System. Respondents who have never participated in Con Edison RFQ must take the following actions to successfully submit a proposal:

1. Download this NWS RFP, Non-Wires Solutions Questionnaire & Cash Flow Template and Supplier Enablement Template
2. Become enabled in the Oracle RFQ System by submitting the below items to Michael Heaton at heatonm@coned.com. RFP Respondents must be enabled in the Oracle System no later than July 12, 2019 for their RFP submission to be considered eligible.
 - a. W-9 form (version last updated 2018)
 - b. Supplier Enablement Template (Select **CE Sourcing** under Oracle responsibility field)
3. Receive Formal RFQ response request (will be same information downloaded from non-wires alternative website)
4. Submit response and **fully completed** Questionnaire & Cash Flow Template to Con Edison Procurement System through the Oracle RFQ System

Please note, if you are already enabled in Con Edison's Oracle RFQ system, please email Michael Heaton indicating your interest in participating. Please only follow steps 3 and 4 after you have emailed Michael. **If you have previously participated in a Con Edison or Orange and Rockland NWS RFP, your company is already enabled.**

6.4. Proposal Response Format

The response shall include a complete ESS Proposal Response and the Non-Wires Solution Questionnaire & Cash Flow Template.

Do not include any cost information in the ESS Proposal Response. Any project-specific cost information, including Con Edison Requested Incentive should only be included in the NWS Questionnaire & Cash Flow Template file.

Note: The Oracle RFQ System is only capable of accepting individual documents no larger than 5MB in size. Respondents may find it necessary to split up large documents into smaller files due to this system constraint.

The technical proposal response for this RFP shall be submitted as either a Word or a PDF document, and shall be organized as follows:

2019 Non-Wires Solutions Energy Storage System Request for Proposals

| Proposal Section | Proposal Section Title |
|--------------------------------|--|
| N/A | Cover Letter |
| N/A | Respondent Checklist Form (Appendix B) |
| Body (no more than 5 pages) | Proposal <ul style="list-style-type: none"> • Proposed ESS Solution Description • Project Schedule and Customer Acquisition Plan • Potential Risks, Challenges, and Community Impacts • Professional Background and Experience with the Proposed Solution • Assumption and Exceptions |
| Appendix | <ul style="list-style-type: none"> • Customer Letters of Support or Interest • Organizational Chart & Resumes • Respondent Qualifications and References • Other relevant information |
| Attach as Separate Document | Non-Wires Solutions Questionnaire & Cash Flow Template |

Cover Letter

The cover letter shall include the following:

- Respondent legal name and address
- The name, title and telephone number of the individual authorized to negotiate and execute the Agreement
- The signature of a person authorized to contractually bind Respondent’s organization
- A statement that the Respondent has read, understands and agrees to all provisions of the RFP, or, alternately, that indicates exceptions will be taken to the RFP

Respondent Checklist

Respondent should provide to the Company the properly completed Respondent Checklist (Appendix B) as part of the proposal.

Proposal

This section should contain a response to the NWS Requirements section above. Please limit each proposal submission to 5 pages maximum not including the Cover Letter, Checklist, and Appendices. The following information addresses major areas that shall be included in Respondent’s proposal:

- Proposed Solution Description, including the following information:

2019 Non-Wires Solutions Energy Storage System Request for Proposals

- Proposed amount of guaranteed demand reduction (kW) for an expected duration of at least 4 hours at end of life (EOL).
- Total power and expected dispatchable energy
- Anticipated degradation rate
- kWh dispatchable in year 1 through year 10
- Project Schedule and Customer Acquisition Plan
- Risks, Challenges, and Community Impacts
- Professional Background and Experience with the Proposed Solution

Assumptions & Exceptions

- Provide a list of assumptions made in developing the response to this RFP that should be considered when evaluating the response
- A high-level list of exceptions to the RFP including the NWS Energy Storage Program Agreement (see Appendix C in this document). Applicants may provide a more extensive list of exceptions, including a redlined version of the agreement, as an appendices with the submission.

Appendix

Respondents can provide information not specifically requested in the body of the proposal as an appendix or a separate attachment. Such items can include:

- Customer letters of interest or support
- A detailed list of any exceptions to the RFP and/or NWS Energy Storage Program Agreement. Respondents may provide a redlined version of the agreement for Con Edison review.
- Organizational charts and resumes
- Other relevant information

Respondent should attach the responses to a complete **Non-Wires Solution Questionnaire**, which includes NWS ESS Cash Flow Template, as part of the submission.

6.5. ESS Proposal Evaluation Criteria

Proposals will be evaluated and scored on the basis of the following criteria which are not necessarily listed in order of significance:

Projects with the highest chances of winning an incentive award will have:

- The lowest incentive requested per kW of Demand Reduction reduced;
- The lowest ratio of total Project cost to kW of Demand Reduction level;

2019 Non-Wires Solutions Energy Storage System Request for Proposals

- A high-degree of confidence in implementing ESS solutions by the needed operational dates indicated;
- Bids that maximize current and potential future market revenue streams to lower the incentive requested
- Knowledge of the rules and requirements for installing energy storage in NYC permitting and contracting environment
- Letter of Intent, or other documented support, from eligible customers

6.6. Proposal Award

The Newtown ESS RFP is a multiple award, closed bid market solicitation, meaning that there will be more than one awarded proposal. A single RFP respondent will not be awarded the full load relief capacity needed. Respondents will be notified of their Bid selection or declination status on the award date of August 2, 2019.

7. Collusion and Other Prohibited Activities

Collusion with other Respondents prior to, during, or after the RFP is strictly prohibited. Collusion and other prohibited activities include, but are not limited to: discussing Bid strategies with other program participants, engaging in any activity with the intent of influence the outcome of the RFP in a manner inconsistent with competitive behavior, or taking any action to undermine the competitive nature of the RFP and otherwise benefit from Company compensation with no intent or expectation of providing the amount of Peak Demand Reduction or Annual Electric Savings submitted in the Respondent's Bid. The Company shall have the discretion to determine when collusion or other prohibited activities have occurred and to take any appropriate action, including barring participation in future RFPs or programs, and reporting the activity to the New York State Department of Public Service (the "NYDPS"), and the Commission and any other appropriate state or federal agencies.

2019 Non-Wires Solutions Energy Storage System Request for Proposals

8. Definitions

Bid: The Con Edison Incentive Requested (\$) by the Respondent to provide Peak Demand Reduction. The Bid will be evaluated as an incentive rate (i.e., price per kW of Demand Reduction). Bids will be received up to a specified deadline/date and will be kept confidential between the Company and the Respondent throughout the evaluation and selection process.

Capacity (kWh): the maximum charge/discharge power and the amount of energy capable of being stored.

Certificate of Completion: Certificate provided by Respondent to Con Edison stating that a Project has been completed.

Demand/Power (kW): Rated power of storage system

Demand Reduction (kW): Estimated maximum peak load reduction realized during On-Peak Hours.

Incentive Rate: The awarded Bid price per kW of Peak Demand Reduction.

Off-Peak Hours: All hours not considered On-Peak Hours.

On-Peak Hours (also referred to as Overload Period): Hours when the NWS network is expected to exceed its capability. On-Peak Hours occur, between May 1 and September 30, and between the hours identified in Table 1. ESS Technologies operating as part of an NWS may be prohibited from charging during On-Peak Hours during the summer period.

Portfolio: Collection of all Projects submitted for a Bid.

Project: Installation, implementation and operation of any energy storage systems equipment and software to provide Peak Demand Reduction.

Respondent: Customer, aggregator or other third-party acting on the customer's behalf.

Scope of Work: Detailed narrative for each Project describing the work that is to be carried out to provide Peak Demand Reduction, broken out in deliverables and deadlines. Refer to Section 6 for the minimum requirements that should be outlined in your detailed Scope of Work.

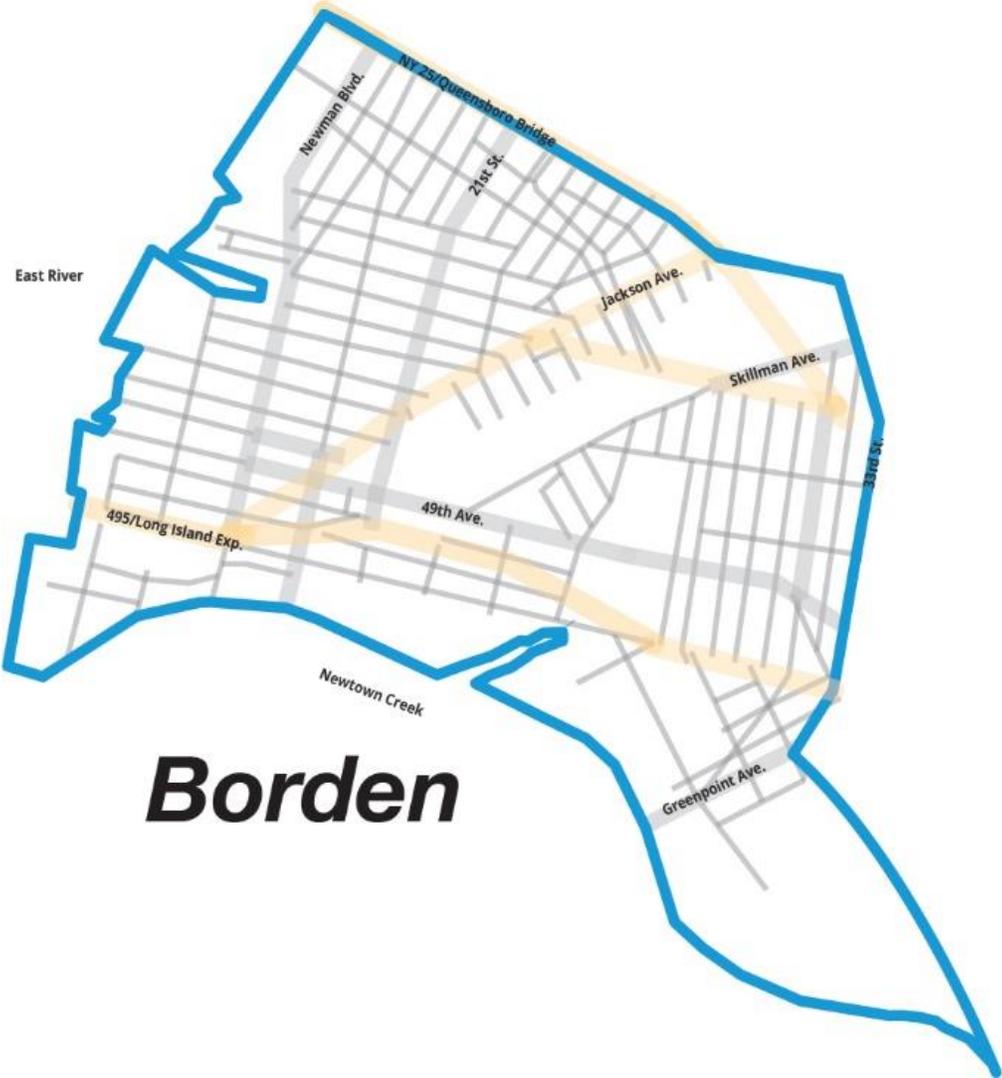
Newtown NWS Area: The Newtown NWS Area is defined by three Con Edison electric networks having a forecasted capacity constraint (identified by Con Edison as Newtown substations). Newtown is comprised of Con Edison's Borden, Sunnyside, and Maspeth networks.

2019 Non-Wires Solutions Energy Storage System Request for Proposals

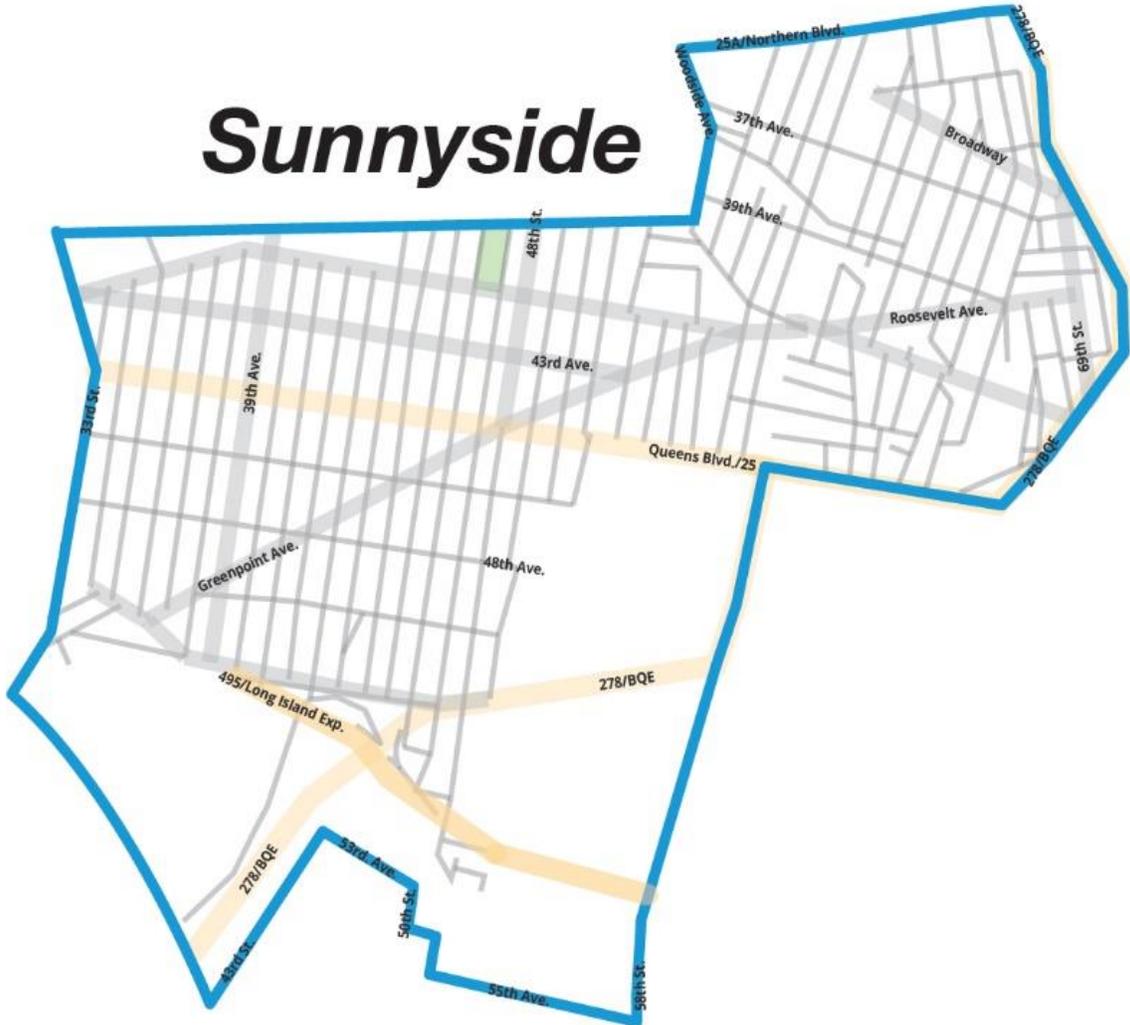
Area of Need

The maps below outline the networks in blue and denote the area where implementation of DERs would provide load relief. Respondents are encouraged to view the network maps through the Company's [Hosting Capacity](https://www.coned.com/en/business-partners/hosting-capacity) website (<https://www.coned.com/en/business-partners/hosting-capacity>), under the "Non-Wires Solutions" tab. Respondents can search via address to assist in determining customer eligibility. Final verification of customer eligibility resides with The Company.

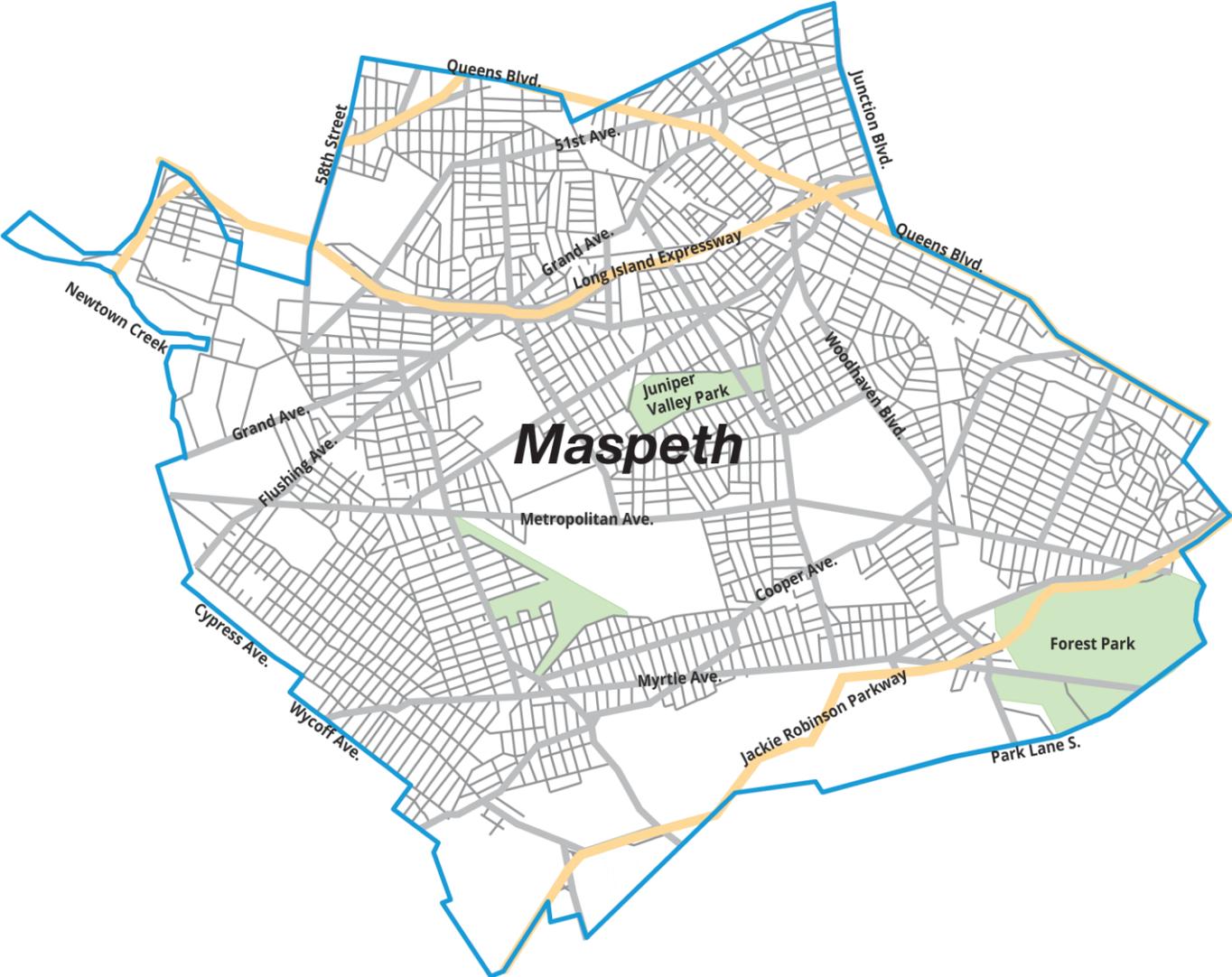
2019 Non-Wires Solutions Energy Storage System Request for Proposals



2019 Non-Wires Solutions Energy Storage System Request for Proposals



2019 Non-Wires Solutions Energy Storage System Request for Proposals



2019 Non-Wires Solutions Energy Storage System Request for Proposals

Customer Demographic Profile

A summary of customer demographics for the Borden, Sunnyside, and Maspeth networks are shown in the tables below. The customers could help provide load relief to the Newtown area substation and sub-transmission feeder.

Borden Network

| Customer Segmentation | Customer Count | Annualized Consumption [kWh] | High Demand 1 Year [kW] | Max Average Billed Demand [kW] |
|------------------------------------|----------------|------------------------------|-------------------------|--------------------------------|
| Commercial & Industrial | 1,359 | 183,887,421 | 41,319 | 2,313 |
| Education | 27 | | | |
| Hospital | 6 | | | |
| Large Office | 13 | | | |
| Large Retail | 87 | | | |
| NYPA - Com | 108 | | | |
| Warehouse/Industrial | 1,118 | | | |
| Multifamily | 9,787 | 97,108,067 | 13,038 | 4,688 |
| Large Multi-Family - Common Area | 418 | | | |
| Large Multi-Family - Res | 9,369 | | | |
| Residential | 1,212 | 14,467,339 | 2,262 | 860 |
| NYPA - Res | 9 | | | |
| Single Family - Res | 176 | | | |
| Small Multi-Family - Common Area | 177 | | | |
| Small Multi-Family - Res | 850 | | | |
| Small Business | 2,571 | 93,801,850 | 25,454 | 1,662 |
| Miscellaneous/Entertainment | 1,072 | | | |
| Nursing Home/Lodging | 33 | | | |
| Restaurants | 125 | | | |
| Small Office | 878 | | | |
| Small Retail | 419 | | | |
| Transportation | 44 | | | |
| Grand Total | 14,929 | 389,264,677 | 82,073 | 4,688 |

2019 Non-Wires Solutions Energy Storage System Request for Proposals

Sunnyside Network

| Customer Segmentation | Customer Count | Annualized Consumption [kWh] | High Demand 1 Year [kW] | Max Average Billed Demand |
|------------------------------------|----------------|------------------------------|-------------------------|---------------------------|
| Commercial & Industrial | 541 | 128,522,255 | 26,491 | 17,893 |
| Education | 32 | | | |
| Hospital | 6 | | | |
| Large Office | 3 | | | |
| Large Retail | 30 | | | |
| NYPA - Com | 49 | | | |
| Warehouse/Industrial | 421 | | | |
| Multifamily | 22,651 | 75,302,828 | 3,708 | 378 |
| Large Multi-Family - Common Area | 1,023 | | | |
| Large Multi-Family - Res | 21,628 | | | |
| Residential | 9,866 | 40,476,767 | 1,506 | 206 |
| NYPA - Res | 1 | | | |
| Single Family - Res | 2,559 | | | |
| Small Multi-Family - Common Area | 1,066 | | | |
| Small Multi-Family - Res | 6,240 | | | |
| Small Business | 1,870 | 87,208,545 | 21,501 | 2,799 |
| Miscellaneous/Entertainment | 183 | | | |
| Nursing Home/Lodging | 23 | | | |
| Restaurants | 244 | | | |
| Small Office | 663 | | | |
| Small Retail | 717 | | | |
| Transportation | 40 | | | |
| Grand Total | 34,928 | 331,510,395 | 53,206 | 17,893 |

2019 Non-Wires Solutions Energy Storage System Request for Proposals

Maspeth Network

| Customer Segmentation | Customer Count | Annualized Consumption [kWh] | High Demand 1 Year [kW] | Max Average Billed Demand [kW] |
|------------------------------------|----------------|------------------------------|-------------------------|--------------------------------|
| Commercial & Industrial | 1542 | 270,399,021 | 77,589 | 1,951 |
| Education | 104 | | | |
| Gov't Other | 9 | | | |
| Hospital | 8 | | | |
| LARGE COMMERCIAL | 84 | | | |
| Large Office | 15 | | | |
| Large Retail | 99 | | | |
| NYPA - Com | 125 | | | |
| Warehouse/Industrial | 1098 | | | |
| Multifamily | 32197 | 152,542,926 | 16,608 | 1,343 |
| Large Multi-Family - Common Area | 2257 | | | |
| Large Multi-Family - Res | 29615 | | | |
| Multi-Family | 88 | | | |
| Other - Common Area | 237 | | | |
| Residential | 64074 | 284,646,593 | 4,572 | 48 |
| NYPA - Res | 7 | | | |
| Single Family - Res | 26745 | | | |
| Small Multi-Family - Common Area | 5298 | | | |
| Small Multi-Family - Res | 32024 | | | |
| Small Business | 5172 | 193,278,785 | 66,235 | 1,114 |
| Community | 18 | | | |
| Miscellaneous/Entertainment | 295 | | | |
| Nursing Home/Lodging | 92 | | | |
| Restaurant | 590 | | | |
| Small Commercial | 202 | | | |
| Small Office | 1824 | | | |
| Small Retail | 2106 | | | |
| Transportation | 45 | | | |
| Grand Total | 102985 | 900,867,325 | 165,005 | 1,951 |

2019 Non-Wires Solutions Energy Storage System Request for Proposals

Appendix B: Respondent Checklist Form

The Respondent must provide the following checklist which must be properly completed with the proposal and submitted to the Company as part of the proposal.

| Checklist Item | Initial |
|--|---------|
| RFP RESPONSE SPECIFIED FOR APPLICABLE PROJECT (Please check all that apply) <input type="checkbox"/> Newtown | |
| REVIEWED ALL RFP DOCUMENTS AND LAWS AND REGULATIONS THAT IN ANY MANNER MAY AFFECT COST, PROGRESS, OR PERFORMANCE | |
| FULLY COMPLETED PROPOSAL ADHERING TO THE FORMAT PROVIDED WITHIN THIS RFP | |
| ENABLED IN CON EDISON PROCUREMENT SYSTEM | |
| FULLY COMPLETED NON-WIRES SOLUTION QUESTIONNAIRE & CASH FLOW TEMPLATE | |
| <ul style="list-style-type: none"> • Summary | |
| <ul style="list-style-type: none"> • Energy | |
| <ul style="list-style-type: none"> • Financials | |
| <ul style="list-style-type: none"> • ESS Cash Flow | |

NOTE: FAILURE TO COMPLY WITH RFP PROCESS, COMPLETE AND SUBMIT OF ALL THE ABOVE DOCUMENTS ON THE FORMS PROVIDED HEREIN, WILL RESULT IN A REJECTION OF YOUR BID.

By placing my initials in the boxes provided above, I acknowledge having read and that I understand fully all of the requirements, including with regard to each of the documents referenced herein.

RESPONDENT (SIGNATURE):

RESPONDENT (PRINT NAME):

DATE:

2019 Non-Wires Solutions Energy Storage System Request for Proposals

Appendix C: Non-Wires Solutions Energy Storage Program Agreement



Non-Wires Solutions Energy Storage Program Agreement

Participant Eligibility The Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) customer (“Customer”) identified in this Non-Wires Solutions Energy Storage Program Agreement (as amended and in effect from time to time, this “Agreement”) is a Con Edison electric account holder or a customer whose basis of eligibility to participate in the Company’s Non-Wires Solutions Program (hereinafter, “Program”) is provided for hereunder, including as specified in the Customer and Facilities Information box below. Con Edison will determine Customer’s Program eligibility at Con Edison’s sole discretion in connection with Con Edison’s review process. The application portion of this Agreement (*i.e.*, the portion requiring the completion of information) may be completed by Customer, as applicant, or by an aggregator or other third party acting on Customer’s behalf, as applicant. (The party completing the application portion of this Agreement is referred to herein as the “Applicant”). If the Applicant is a third party that has not provided Customer information below, then Con Edison will determine Program eligibility based upon the eligibility of the Customer(s) identified on Addendum 1 (the Multiple Facilities Template, available at www.coned.com/nonwires).

Project Requirements

The project or portfolio of projects referred to in the Non-Wires Solution Details box immediately below intended to meet the requirements of the Program hereunder (hereinafter, “Project”) shall be eligible for Program incentives only if the Project adheres to all Program requirements, including the following, unless otherwise specified in Addendum 2:

1. A Project may not commence, and existing equipment to be replaced or made unnecessary by a Project may not be removed or disconnected, until after such Project is accepted by Con Edison, baseline conditions are confirmed, and pre-installation inspections (if required) have been completed.
2. Agreements may be approved for Projects that are (i) single Customer projects in which Customer’s load and project load reduction are clearly identified in the Project plan, or (ii) a portfolio of projects, the Project plans for which identify an aggregate load reduction target and provide detailed analyses thereof to be evaluated and approved by Con Edison.
3. A Project must be installed and operational prior to the applicable Operational Date identified in this Agreement, and must also meet any other milestones and deadlines (including, as specified in Addendum 2).
4. All other requirements set forth in this Agreement, including those contained in the Terms and Conditions section hereof, must be satisfied.

For questions regarding projects related to the Program, please contact Con Edison at dsm@coned.com.

Non-Wires Solution Details

| | |
|---|--|
| Project Name | |
| Network | |
| Network Peak Hour | |
| Network Overload Period | |
| Reduction Load Year(s) | |
| Quantity of Summer Capability Periods (normally ten (10) periods, each defined as a period from May 1 st through September 30 th) | |

Customer and Facilities Information

If not currently provided, must be submitted within 30 days after the date this Agreement is executed fully by the parties unless otherwise agreed at the time that this Agreement is proposed for acceptance by Con Edison, and when submitted may be attached as Addendum 1.

| | | | | | | | | | | | |
|--|---|--|-------------------------------|----------------------------------|--|--|--|--|--|--|--|
| Account Name <i>(as shown on your Con Edison bill)</i> | | Con Edison Account Number (15 Digits) | | | | | | | | | |
| | | _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ | | | | | | | | | |
| Contact Name | | Day Phone | | | | | | | | | |
| Service Address | | Email | | | | | | | | | |
| Address 2 | | Fax | | | | | | | | | |
| City | State | Zip | Square Footage | Annual Hours of Operation | | | | | | | |
| Year Built | Building Type (e.g., Office, Hospital) | | Multifamily # of Units | Number of Floors | | | | | | | |

Multiple Facilities - This box should be checked for any Project comprised of project portfolios consisting of more than one building, and the Multiple Facilities Template (Addendum 1) must be completed and submitted with this Agreement.

Applicant Information

The Applicant may be a Customer or a third-party authorized to apply for the Program on behalf of a Customer. Whether the Applicant is a Customer on its own behalf or an authorized third-party, information for the Applicant is required immediately below.

Applicant/Company Name

Contact Name

Day Phone

Service Address

Email

Address 2

Fax

City

State

Zip

Federal Tax ID

Check appropriate box:

Individual/Sole Proprietor

Corporation

Exempt Payee (Provide Tax Documentation)

Limited Liability Company

Other

Partnership

Payee Mailing Address Information

Any incentive payments should be sent to:

Attention

Payee Name

Mailing Address

City

State

Zip

Proposed Project Information

Proposed Project Summary (Project Details/ Scope of Work Information):

Demand Reduction (kW)
(See Terms and Conditions below for definition)

Dispatchable Energy Capacity (kWh)
(See Terms and Conditions below for definition)

Total Project Cost (\$)

Con Edison Contribution Requested (\$)

Project Start and Operational Date

Project Start Date:

Operational Date:

Terms and Conditions

ELIGIBILITY: Unless otherwise approved by the Company, incentives are available only for energy storage systems (ESS) (e.g., batteries) that provide permanent and temporary "Demand Reduction" measures installed at facilities of Customers in good standing. "Demand Reduction" is measured in kW and defined as energy load reduction to the electric grid served by Con Edison and achieved by Customers through demand reduction measures installed or implemented in connection with any Project, and satisfied by a satisfactory response to the calling of a "NWS Event" by Con Edison. A "NWS Event" is called by Con Edison when a determination is made by Con Edison that Demand Reduction is needed to help provide load relief capacity during peak times of demand on the grid, and which results in a request by Con Edison of a participant hereunder (Customer and/or Applicant, and a failure to mention expressly one or the other shall not be a barrier to effect the intent of any provision) to meet its Demand Reduction obligation, and as more particularly provided for by the NON WIRES SOLUTIONS (NWS) EVENT section below. Demand Reduction may also be achieved by an equivalent in "Dispatchable Energy Capacity" and as more particularly provided for by the DISPATCHABLE ENERGY CAPACITY section below.

AGREEMENT AND REQUIRED DOCUMENTATION:

Eligible Customers seeking to participate in the Program must submit a completed, signed Agreement, together with all relevant Project documents, and also post security in accordance with the requirements set forth herein.

AGREEMENT PACKAGE REVIEW AND INSPECTION:

The Company will review an Agreement and accompanying information for eligibility, completeness, and accuracy. The Company may conduct an on-site inspection or pre-installation metering of the applicable facility's existing equipment and systems. If a proposed Project does not meet Program criteria, then the Company will so notify Applicant and the Agreement will be rejected. Any necessary, pre-installation inspection and measurement and verification (M&V) must be completed to validate baseline conditions before Applicant installs qualifying equipment in order to qualify for incentives. Any failure by Customer/Applicant to allow Con Edison or its authorized representative timely access for such purpose will result in Program ineligibility and non-payment of incentives. The Company reserves the right to reject any estimate of energy savings, peak Demand Reduction, energy capacity, or Project cost submitted by Applicant. Applicant acknowledges that the estimated incentive amount included in any incentive offer is an estimate only; the actual incentive amount payable upon Project completion will depend upon the performance of Project verified (kW) savings actually achieved. The Company has the right to withhold any incentive payments, should the Project not be operational by the Operational Date (identified in the application portion of this Agreement) or

should the Project be deemed not available during the Summer Capability Period (defined as May 1st through September 30th at all times under this Agreement, and as also provided for above in the application portion of this Agreement) even if operational by the Operational Date. Further, the Company shall be entitled to seek a full or partial refund of incentives paid (1) if, at any time prior to the September 30th of the final Reduction Load Year (identified as part of the Non-Wires Solution Details box on page 1) the Company learns that the Project was not actually or properly installed, or that the Project no longer meets the Demand Reduction stated in this Agreement (subject to normal degradation), or (2) upon the occurrence of any other event or circumstance constituting a breach of this Agreement by Applicant.

PROJECT SITES: The Applicant shall secure Project sites that endure for the Summer Capability Periods provided for in accordance with the terms and conditions of this Agreement, or for another timeframe identified and agreed to as part of Addendum 2 hereof. The terms and conditions of the agreements secured by Applicant with third parties and/or Customers with respect to Project sites are independent of the Company, and the Company shall not have any responsibility or incur any liability pursuant to such agreements. At any time during this Agreement and outside of any Summer Capability Period hereunder, Applicant may remove, replace, or add any unit (*i.e.*, any whole or part of an ESS solution) associated with a Project site or Customer, provided that any such change shall not modify the Load Reduction Guaranty (as hereinafter defined), and provided further that any such change shall be made in accordance with any applicable safety requirements. Prior to the Operational Date, Applicant shall provide to the Company a list identifying all sites and Customers of ESS Projects installed or to be installed by Applicant. For each such site or Customer, Applicant must meet the applicable M&V requirements. The Company will verify with Applicant which sites and Customers are eligible under this Agreement. Any and all marketing materials developed by Applicant that reference the Company will be subject to approval by the Company. Applicant is responsible for all marketing activities to Customers.

FINANCING ACCOMODATIONS: The Company acknowledges that Applicant may finance the acquisition and installation of a Project by entering into financing agreements with one or more financing parties. The Company agrees to:

1. Execute any related consents to assignments or acknowledgements reasonably acceptable to the Company; and
2. Provide such opinions of counsel as may be reasonably requested by Applicant or the financing party in connection with the financing or sale of the ESS solution at Applicant's cost and expense.

ASSET OWNERSHIP AND OPERATIONAL CONTROL:

As between Applicant and Applicant's financiers, on the one hand, and Con Edison, on the other hand, Applicant or Applicant's financiers will be the legal owner of any ESS solution. Con Edison will be entitled to rights to call upon the asset(s) to provide Demand Reduction during the term of this Agreement, and as more particularly provided for hereunder.

INSTALLATION REQUIREMENTS: Applicant and Customer assume sole responsibility for all installation work. Applicant and Customer acknowledge that all work must comply fully with all applicable laws, rules, and regulations. Without limitation, Applicant shall interconnect the Project in accordance with the requirements and terms and conditions set forth in the New York State Standardized Interconnection Requirements (SIR) in order to safely and reliably deliver the Project. Applicant shall be responsible for all delays, costs and expenses associated with such interconnection.

INSTALLATION TIME LIMITS: All Projects must be installed and operational before the Operational Date specified in the application section of this Agreement. Failure to meet the Operational Date or any other milestone deadlines as may be indicated as part of Addendum 2 will result in the forfeiture of further payments pursuant to the milestone payment schedule agreed to between the parties in the Project plan, normally prior to Project commencement or the payment by Applicant (or Customer, if different) to Con Edison of certain Liquidated Damages (as defined below in the UNDERPERFORMANCE; BREACH OF LOAD REDUCTION GUARANTY section below).

OPERATIONAL DATE REQUIREMENTS: The Operational Date shall not occur until Applicant has met the following requirements, and at such time the Company will deem a Project operational and available for load Demand Reduction for any upcoming Summer Capability Period:

- (i) provided the Company with a list of Project site(s) and Customers and the Company has verified that such sites and Customers are eligible for the Program;
- (ii) constructed the Project in accordance with applicable safety requirements;
- (iii) received a "Permission to Operate" or other documentation from Con Edison indicating the Project has met all requirements to operate as intended;
- (iv) met Con Edison's M&V requirements, including Project monitoring requirements;
- (v) submitted a "Certificate of Completion" or other notification to the Company that the Project is installed and ready for Performance Testing (as defined and more

particularly described as part of the PERFORMANCE TESTING section below); and

- (vi) completed initial Performance Testing.

After Operational Date requirements are met, Applicant may submit an invoice for the Installation Payment (as defined in the INCENTIVE PAYMENT SCHEDULE section below) to Con Edison.

DISPATCHABLE ENERGY CAPACITY: Consistent with Applicant's commitment to the Demand Reduction to be achieved by a Project, and the Load Reduction Guaranty associated therewith, Applicant also commits to make best efforts to provide a flexible guarantee of "Dispatchable Energy Capacity" for the ESS solution to deliver Demand Reduction energy capacity for the duration of the Summer Capability Periods in accordance with the terms and conditions of this Agreement. The parties reasonable anticipate that any Project hereunder will have higher available energy for dispatch in the earlier years and will eventually degrade to achieve the Demand Reduction committed to hereunder (and tied to the Load Reduction Guaranty) by the final Summer Capability Period. Related to this, Con Edison reserves the right to request by an NWS Event that the ESS solution associated with a given Project produce energy above the guaranteed kW available in earlier years, and at no additional cost and expense, and provided that the Demand Reduction requirement agreed to hereunder is not reasonably requested to be exceeded. For example only, if the agreed to Demand Reduction requires that the ESS solution should be able to generate XkW over an eight-hour period, then it is anticipated that Con Edison may require by way of an NWS Event that the Demand Reduction requirement can be met by 2XkW over a four-hour period. The parties agree that no Liquidated Damages, underperformance or other penalties will be assessed on Applicant's inability to dispatch or discharge energy above the minimum energy (kWh) required by the calling of an NWS Event.

DISPATCH: In order to achieve the objectives hereunder including with respect to the Load Reduction Guaranty, Applicant hereby provides to Con Edison Project dispatch rights during the Summer Capability Periods hereunder, or for such other timeframe as agreed to between the parties, including as may be identified in Addendum 2, with day-ahead notification of twenty-on (21) hours in each case of any dispatch. Con Edison reserves the right to dispatch the ESS solution at different times of the Network Overload Period (identified in the Non-Wires Solution box as part of the application portion of this Agreement on page 1) and at different power levels with day-ahead notification throughout each Summer Capability Period.

COMMUNICATION SYSTEMS AND EQUIPMENT: Applicant shall at Applicant's own cost and expense install communications systems and equipment with respect to a Project i) to enable the Company to monitor remotely the

status of a Project at all times over the contract term on an aggregate and individual unit basis, and which permits the Company to have real time information access to Project operations, including the ability to measure the real time charge and discharge of the ESS unit(s), and ii) and which is otherwise necessary to implement and respond to Con Edison's dispatch instruction. Such communications systems and equipment must be installed and operational prior to any Operational Date for a Project.

If during the term of this Agreement Con Edison develops Con Edison's own system that allows Con Edison to exercise greater monitoring or more efficient dispatch of a Project, then Applicant will provide a reasonable cost estimate for Applicant's systems to upgrade its equipment and enable interface with Con Edison's system.

Con Edison will review and may agree to pay communication system upgrades deemed reasonable. If Con Edison declines to pay for communication upgrades, then Applicant is not required to make upgrades and Con Edison agrees to cooperate with Applicant in identifying appropriate alternatives.

EXCLUSION FROM FUTURE PROGRAMS: Applicant shall not be eligible to participate in future Con Edison or other programs if such programs interfere with Con Edison's ability to dispatch fully the ESS solution in accordance with the terms and conditions of this Agreement.

QUALIFICATION FOR INCENTIVES FROM MULTIPLE PROGRAMS: If a Project under the Program also qualifies for incentives under Con Edison's Energy Efficiency Portfolio Standard, Con Edison's Demand Management Program, or any New York Independent System Operator (NYISO) program or other programs operated by Con Edison or other agencies, then the Program will allow Customer/Applicant to receive funds from all sources, except from Con Edison's Demand Response programs (e.g., Commercial System Relief Program and Distribution Load Relief Program), provided that Customer/Applicant meets the Program's performance criteria and does not, if applicable, receive greater funds than the Customer/Applicant actually expended for the Project. Without intending to limit the obligations of the parties as otherwise provided for, it is specifically emphasized that both Customer and Applicant are responsible for adherence to the requirements of this section.

QUALIFYING PROJECTS: Projects eligible for Program incentives under this Agreement include ESS solutions identified as eligible and approved by the Company. To qualify, Projects must achieve committed to Demand Reductions in order to reduce the identified networks' demand at critical times in relation to the networks' coincident peak demand. Projects must meet the requirements defined in this Agreement before providing dispatch or discharge services to host-sites, applicable

markets or any other obligation or arrangement. Each Project's Demand Reduction must be operational by the Operational Date referred to above, or as agreed upon and specified, including as part of Addendum 2. The identified networks' coincident peak demand typically, although not always, occurs on hot summer days and typically, although not always, near or during the hours identified in the Non-Wires Solution Details box on page 1 of this Agreement. The Program will run through the September 30th of the final Reduction Load Year identified in the Non-Wires Solution Details box on page 1. A Project's installed measures must remain operationally available until the final Reduction Load Year or as specified in Addendum 2. Planned maintenance or down times are required to be scheduled for times that occur outside the Summer Capability Period for the duration of this Agreement. Many of the measures approved for use in this Program achieve Demand Reductions, permanent or temporary, on an ongoing basis and/or for hours beyond the Demand Reduction periods required by this Agreement. Such additional Demand Reduction benefits customers and the electric distribution system generally. Nevertheless, the primary purpose of this Agreement is to achieve the required Demand Reduction centered on network coincident peak demand periods. As a consequence, Projects must achieve the required Demand Reduction during the applicable time periods. Impact analyses for individual measures or Projects will be calculated based upon the expected load relief provided during the hours specified in the Non-Wires Solution Details or in Addendum 2. Such impact analysis will give consideration to (i) load curves relevant to, and which indicate typical electric usage patterns for, a Customer's facility type, (ii) measures involved in a Project, and (iii) approved metering and baseline calculations. Required measurement and verification for Demand Reductions will be specified in a Project's M&V plan or any applicable Program rules. The Company will work with Applicant (and Customer, if different) to determine and deploy the appropriate required verification process. Operations and maintenance measures are not eligible for incentives.

INCENTIVE AMOUNTS: The basis for determining the amount of incentives for which qualifying Projects are eligible will be mutually agreed upon by the Company and Applicant, giving consideration to the established Demand Reduction goals of a Project. The Company's determination of any applicable incentive amount shall be final.

NON WIRES SOLUTION (NWS) EVENT: When Operational Date requirements are met and a Project is operational, during a Summer Capability Period Con Edison may notify Applicant of an NWS Event at least twenty-one (21) hours prior to the requirement by Con Edison that the Project must dispatch available energy capacity and provide the committed to Demand Reduction. The notification, to be determined by Con Edison at the Company's sole discretion, may include verbal or electronic notification. Con Edison will define, during the NWS Event notification, the discharge start

time, power output, and duration of discharge based on a Project's Dispatchable Energy Capacity available. The time of discharge may include anytime between the hours noted in the Network Overload Period identified on page 1 of the application portion of this Agreement. An NWS Event may include a test event. Con Edison is not required to tell Applicant if the NWS Event is a test event or required for system reliability. Whether or not Applicant is provided with prior notification of twenty-one (21) hours of an NWS Event during a Summer Capability Period, Applicant agrees to make reasonable efforts to operate the ESS solution to maximize its use in the general marketplace and with due consideration being given also to maximize revenue streams from other marketplace opportunities. Following prior notification of twenty-one (21) hours of an NWS Event, Con Edison may cancel the request to respond through established communication channels and no longer require Applicant to perform; and, in such an event, Applicant will not be held responsible for underperformance or Liquidated Damages should Applicant choose to perform in spite of the cancellation.

CHARGING AND NET LOADING: A Project will charge outside of the Network Overload Period identified on page 1. On a day when an NWS Event is called, a Project must not increase load on the network during the period of overload to the network. As part of Applicant's annual invoice for Reservation Payment, Applicant shall submit to Con Edison an attestation stating that the Project did not increase net loading on the network during the period of overload to be addressed by the calling of an NWS Event. For each day that a Project increases net loading during a period of overload on an NWS Event day, Applicant will be assessed Liquidated Damages, which will be calculated in consideration of the net loss of benefit to the network. Liquidated Damages will be satisfied from the Security or as an offset against any future incentive payments due to be paid by Con Edison (e.g. annual Reservation Payments).

INCENTIVE PAYMENT SCHEDULE: Incentive payments from Con Edison to Applicant when due will be made based on the following schedule:

- 50% of the approved incentive shall be paid as an up-front installation payment ("Installation Payment") at such time as the Project is verified as installed and meets Performance Testing by Con Edison or Con Edison's M&V contractor; and
- 5% per year over each year of the (normally ten (10)) Summer Capability Periods of this Agreement shall be paid as an annual reservation payment ("Reservation Payment") following each Summer Capability Period and based on the performance of the Project during such Summer Capability Period, less any Shared Revenue (as defined in the SHARED REVENUE section below) in each case due to Con Edison.

CALCULATIONS OF RESERVATION PAYMENTS: At the conclusion of each Summer Capability Period of the term of this Agreement, Con Edison shall calculate the

Reservation Payment to be paid by Con Edison to Applicant. At such time, the dollar value equivalent to 5% of the approved incentive amount will be divided by the number of NWS Events that occurred and for which the Applicant was required to respond. For example, if the dollar value equivalent to 5% of the approved is \$100 and there were 10 NWS Events (for any one of the 10 Summer Capability Periods then in question), then each NWS Event will have associated a Reservation Payment at a maximum of \$10.

The Reservation Payment will then be adjusted based on the Project's performance with respect to each NWS Event relative to Applicant's response to Con Edison's request.

Accordingly, if the Project is unable to provide 100% of the prescribed power output during the call window in response to an NWS Event, then Con Edison will adjust the Reservation Payment relative to performance. For example, if the Project performed at 80% in response to an NWS Event and 100% for the remaining nine NWS Events, then the Reservation Payment due on account of the performance of the Project for that Summer Capability Period would be adjusted to \$98.

If the Project is unable to provide at least 50% of the prescribed power output during the call window in response to an NWS Event, then Con Edison will not provide any Reservation Payment for that NWS Event. No additional incentives will be paid for the Project performing above the requirements of the NWS Event.

Con Edison's portion of any Shared Revenue will be deducted from the Reservation Payment due following the performance assessment made after each Summer Capability Period.

SHARED REVENUE: When possible, Applicant shall enter into agreements with customer host-sites to provide demand charge savings and/or provide distribution services to applicable markets to maximize current and future revenue streams. Applicant will share revenue streams from wholesale market participation (i.e., NYISO)) as a credit towards Con Edison's Reservation Payment. The Shared Revenue split is 75% to Con Edison, 25% to the Applicant. Any Shared Revenue credit carried over after the conclusion of this Agreement is released to Applicant and should be shared with Customer. Revenues associated with Customer's account (e.g., customer demand bill savings and "Value Stack" compensation) and any funds secured from NYSERDA's (New York State Research and Development Authority) Energy Storage Market Acceleration Bridge Incentive are not subject to revenue sharing with Con Edison. At Con Edison's request, Applicant shall provide all supporting information and data necessary to confirm participation of the Project in all available markets and revenue streams. Documentation may include written authorization from Applicant allowing NYISO to share data directly with Con Edison. If, based on other ESS performance in Con Edison's NWS territory and data monitoring of the Project's discharge, Con Edison or its third-party M&V contractors, determines that Applicant

did not prudently attempt to maximize all revenue streams available, then Con Edison reserves the right to reduce the annual Reservation Payment by an amount reflecting Con Edison's share of the foregone revenue streams.

LOAD REDUCTION GUARANTY: Applicant guarantees that the load reduction measures provided for in this Agreement, when installed, will: (1) achieve at least the number of kW's of required Demand Reduction contracted for and at a time and in a manner notified by the Company with the calling of an NWS Event, (2) be located at the physical address specified in the Project plan or, if not so specified, at the physical address identified in this Agreement as Customer's facility, (3) achieve the required Demand Reductions during the agreed upon operating hours near and around the network coincident peak hours (e.g., between noon and midnight), and (4) be operationally available through the date specified in Addendum 2 and any applicable program rules, or, if not specified, September 30th of the final Reduction Load Year identified as part of the Non-Wires Solution Details box (the foregoing clauses (1) through (4) being collectively referred to herein as the "Load Reduction Guaranty"). Applicant's participation in the Program and receipt of incentive payments is conditioned upon the truth and accuracy of its Load Reduction Guaranty and the performance of its obligations hereunder.

REPORTING: Applicant will submit regular and consistent progress reports to Con Edison. Project progress reports, when provided, shall: (1) detail activities in progress, and identify sold and installed projects, as applicable, (2) specify forecasted load reductions and dispatchable energy capacity, program costs, customer counts, peak hour Demand Reduction impacts achieved, and progress towards goals, and (3) provide other information at such times and in such format as mutually agreed upon, in writing, by Con Edison and Applicant (or its contractor) with respect to a Project, including, without limitation, prior to the a Project's commencement and for the duration of the term of this Agreement.

MEASUREMENT AND VERIFICATION: M&V protocols for each Project will be established and agreed upon in an M&V plan or as provided in applicable Program rules. M&V must be completed by the Company or an independent third party that has no current or prior relationship with Applicant (or, if different, Customer). For Demand Reduction, at minimum, an M&V plan, pre-M&V report (documenting baseline conditions), and post-M&V report (reflecting Performance Testing results and the hourly load reductions achieved for each NWS Event following measure implementation) will be included with the Agreement package, for review and approval by Con Edison. See Performance Testing for additional requirements.

PERFORMANCE TESTING: Con Edison may develop and propose mutually acceptable test procedures ("Performance Testing") in order to assess the

performance of the ESS Project solution proposed hereunder.

Performance Testing is expected to occur prior to the Operational Date of the Project to provide Con Edison with assurances that the Project is able to perform when called upon. Applicant will perform initial Performance Testing to demonstrate to Con Edison that the Project is capable of delivering Demand Reduction, including, at all times, Dispatchable Energy Capacity.

If the Performance Testing shows the Project is unable to deliver 100% of the Demand Reduction, then the Demand Reduction will be reduced automatically to the amount that the Project delivered in during Performance Testing. Any unpaid Installation or Reservation Payments will be adjusted to compensate for the reduced amount of the Performance Test results for the Project.

For example, if the Performance Test demonstrates that the Project can provide 90% of the guaranteed prior to the Operational Date, then the Installation and Reservation Payments will be reduced to 90% of the contracted incentive amounts and disbursed as outlined.

After the Operational Date, Con Edison reserves the right to perform a Performance Test with respect to the Project no more than once a calendar year. Applicant will have a right to retest once a calendar year after a Performance Test. If a most recent Performance Test demonstrates a different performance factor relative to the initial Demand Reduction, then any future Reservation Payments will be adjusted accordingly (upward or downward capped at the initial commitment) relative to the initial Demand Reduction commitment.

INCENTIVE PAYMENTS ARE DEPENDENT UPON MEASUREMENT AND VERIFICATION: The incentive amount is based upon a Project's actual demand savings as documented by each Project's agreed upon M&V activities. Accordingly, the amount of the incentive payment may be lower than the amount of incentive contribution requested in this Agreement (which is based upon Project estimates). Performance data from the Project will be reviewed and verified as established in the M&V plan for the Project before any incentive payment is determined. Payment amounts will be adjusted based upon the actual Demand Reductions verified by the Company. The Company reserves the right to make a reasonable number of pre- and post-installation visits to Customer's facility, upon reasonable advance notice and at mutually agreeable times. Incentive checks will be issued for each milestone achieved after verification of the performance of all installations specified in the milestone and receipt of all proper invoices related thereto.

PAYMENT: The Program is a "pay for performance" program. Con Edison will pay, at the agreed upon payment terms, only for load reductions and discharge of Dispatchable Energy Capacity that are verified as being in

accordance with the notification by the Company, and consistent with the Demand Reduction contracted for between the parties.

UNDERPERFORMANCE; BREACH OF LOAD REDUCTION GUARANTY: Applicant acknowledges that Con Edison's agreement to pay Applicant (or Customer, if different) the incentive amounts is contingent upon the truth and accuracy of Applicant's Load Reduction Guaranty, its other representations and warranties herein, and the performance by Applicant (and Customer, if different) of its obligations hereunder. Accordingly, if Applicant/Customer shall fail to achieve at least ninety percent (90%) of the kW of required Demand Reduction contracted for during a Project's agreed upon operational or contracted hours surrounding the network coincident peak hours (e.g., between noon and midnight) ("Energy Savings Underperformance" or a "Load Reduction Guaranty Breach"), then Applicant shall be obligated (without limiting Con Edison's other rights and remedies under this Agreement, at law or in equity), immediately upon the occurrence of such Load Reduction Guaranty Breach and demand therefor by Con Edison, to render payment to Con Edison by check or wire transfer of immediately available funds, as liquidated damages ("Liquidated Damages") and not as a penalty, of the amount specified below for each day (or portion thereof) that a NWS Event is called between the applicable Program milestone date and the operational availability end date specified for a Project (or September 30th of the final Reduction Load Year identified as part of the Non-Wires Solution Details box, if no operational availability end date is specified) that the Load Reduction Guaranty Breach continues. The parties acknowledge and agree that the amount of damages that Con Edison would suffer as a result of the occurrence and continuation of a Load Reduction Guaranty Beach would be substantial and difficult to calculate with certainty and that the amount specified below (as adjusted as provided below) reasonably approximates the damages that Con Edison would actually suffer. In addition, in the event of Applicant's breach, Con Edison shall be entitled to terminate this Agreement in whole or in part, effective upon notice, and shall be relieved of any responsibility to pay further incentive amounts (Applicant hereby releasing and forever discharging the Company from any and all losses, liabilities, claims, costs and expenses resulting from Applicant's failure to receive such incentive payments in accordance with the foregoing). Liquidated Damages shall be payable by breaching Applicants/Customers at the rate of \$10 per day per kilowatt of Energy Savings Underperformance, subject to a maximum limitation per Applicant/Customer equal to (x) \$150 per kilowatt of Energy Savings Underperformance per year or (y) thirty percent (30%) of the total incentive to be paid to the Applicant/Customer, whichever is less (the "Liquidated Damage Amount"). Con Edison shall provide written notice to each breaching Applicant/Customer, notifying Con Edison of a breach of the Load Reduction Guaranty and the Liquidated Damage Amount payable by Applicant/Customer. If any funds are due to a breaching Applicant/Customer at the time of such demand, then Con

Edison will have the right, but not the obligation, to offset amounts that would otherwise be due and payable to Applicant/Customer against such Liquidated Damage Amount due from Applicant/Customer. If Con Edison elects to apply such set off, then the written breach notice/demand for payment issued by Con Edison will so specify such application and the remaining amounts, if any, owing. The Applicant/Customer will have five (5) business days following receipt of such notice within which to render payment of the Liquidated Damage Amount (or net payment demanded), after which time Con Edison shall have the right to draw upon the Letter of Credit (or, if a cash collateral is provided, proceed against that security) to collect the same. If any Letter of Credit has been drawn against, then the Applicant/Customer shall restore the original amount of the Letter of Credit within thirty (30) days. If the Applicant/Customer fails to furnish the required security in the required amount within such period, then such failure shall constitute a default under this Agreement and shall permit Con Edison, upon two (2) business days' notice to the Applicant/Customer, to draw any and all amounts remaining under the Letter of Credit, terminate Applicant/Customer from further participation in the Program and/or bar Applicant/Customer from future participation in Con Edison programs and auctions, without limiting Con Edison's other rights and remedies at law or in equity. Any changes or exceptions to these underperformance provisions are as set forth in Addendum 2. No changes or exceptions from these provisions shall be valid unless documented in an Addendum 2, fully executed by both parties.

EVENTS OF DEFAULT: Applicant may be considered in default of this Agreement by Con Edison at Con Edison's sole discretion if Applicant is unable to meet the Operational Date for the Project required by this Agreement, or Applicant otherwise fails to meet Project requirements in accordance with the terms and conditions of this Agreement. As more particularly provided for hereunder, failures can include charging an ESS during a period of overload marked by an NWS Event or not performing in response to an NWS Event; provided, however, that at all times Con Edison may choose to discuss with Applicant default circumstances relative to the risks to Con Edison's operational and reliability needs.

FORCE MAJEURE: Applicant shall be excused in any delay in completion of the NWS Program Agreement arising from a cause beyond its control which it could not with the exercise of due diligence have either foreseen or avoided, including act of governmental authority (other than the FDNY to the extent addressed in the Agreement), act of God, extraordinary weather conditions, flood, accident such as fire or explosion not due to the negligence of the Applicant, strike which is not the result of an unfair labor practice or other unlawful activity by the Applicant, riot, and failure of public transportation facilities. Delay in the Applicant's receipt of subcontracted supplies or services for reasons beyond the control of the Energy Manager shall not be excusable delay hereunder to the extent that the supplies or services are available to the Applicant from

another source. The unavailability of sufficient, qualified labor to perform under the NWS Program Agreement shall not be excusable delay hereunder unless the unavailability is caused by a strike which is not the result of an unfair labor practice or other unlawful activity by the Applicant. The Applicant shall give written notice and full particulars of the cause of any delay within 48 hours after its occurrence and thereafter shall update the Company on a bi-weekly basis. The time for performance in any such instance shall be extended by a period equal to the time lost by reason of the excusable delay. Such extension shall be the Applicant's sole and exclusive remedy for such delay and the Company shall not be liable for any damages or additional costs incurred as a result of such delay.

SECURITY AGAINST UNDERPERFORMANCE:

Applicants/Customers will be required to furnish security to Con Edison within sixty (60) days of execution of this Agreement that demonstrates, among other things, Applicant's/Customer's financial capability to pay Liquidated Damages in the event the Applicant/Customer fails to satisfy its Load Reduction Guaranty during the period required by this Agreement. The security provided shall be in an amount equal to (i) 30% of the total incentive to be paid to the Applicant/Customer and (ii) \$150 per kW of Demand Reduction contracted for, whichever is less. Unless a Guarantee is permitted to be and is provided hereunder (meeting the requirements set forth herein), such security shall be in the form of cash collateral or an irrevocable standby letter of credit in form and substance acceptable to Con Edison (the "Letter of Credit"), from an issuing U.S. commercial bank or U.S. branch of a foreign bank ("Issuer") that, in either case, (i) has counters for presentment and payment located in the City of New York or accepts requests to draw via fax, and (ii) has a rating assigned to its senior unsecured long term debt obligations not supported by third party credit enhancement or a rating assigned to it as an issuer rating (a "Credit Rating") of at least (x) "A-" by Standard & Poor's Rating Services ("S&P") and "A3" by Moody's Investors Service, Inc. ("Moody's"), if rated by both S&P and Moody's or (y) "A-" by S&P or "A3" by Moody's, if rated by either S&P or Moody's, but not both ("Minimum Credit Rating"). The Letter of Credit shall permit drawings upon a statement from Con Edison certifying that the amount of the drawing is owed to Con Edison pursuant to this Agreement, shall require the Issuer to honor requests to draw within two (2) Business Days, and shall have an expiration date no earlier than sixty (60) days after the date Applicant/Customer satisfies all of its obligations under this Agreement (the "Required LC Expiration Date"). Should the Letter of Credit have an expiration date prior to the Required LC Expiration Date, and Applicant/Customer shall fail to cause a substitute Letter of Credit to be furnished to Con Edison at least thirty (30) days prior to the expiration date of the initial Letter of Credit, such failure shall constitute a default under this Agreement and shall permit Con Edison to draw thereupon. Similarly, if the Issuer should fail to maintain the Minimum Credit Rating at any time during which the Letter of Credit is required to be

posted (i.e., a "Downgrade Event") and Applicant/Customer fails to cause a substitute Letter of Credit to be furnished to Con Edison within two (2) Business Days (or, if the Issuer still has a Creditworthy Rating despite suffering a Downgrade Event, within three (3) Business Days) after Con Edison has provided written notice to Applicant/Customer demanding such substitute Letter of Credit, such failure shall constitute a default under this Agreement and shall permit Con Edison to draw thereupon. For purposes hereof, "Creditworthy Rating" means a Credit Rating of at least (i) "BBB- (not on Credit Watch)" by S&P and "Baa3 (not on Credit Watch)" by Moody's, if such entity is rated by both S&P and Moody's or (ii) "BBB- (not on Credit Watch)" by S&P and "Baa3 (not on Credit Watch)" by Moody's, if such entity is rated by either S&P or Moody's, but not both. "Credit Watch" means a negative ratings outlook by S&P or Moody's, sometimes referred to as "Negative Watch", "Credit Watch", "Negative, for Potential Downgrade" or "Negative Outlook". The parties recognize that the nature of each Project and the circumstances of each Applicant/Customer will vary. Any further provisions concerning the security to be posted by Applicant/Customer hereunder are set forth in Addendum 2, as mutually executed by the parties.

USE AND RETURN OF SECURITY: Con Edison may draw upon the security and/or exercise any and all rights in respect of such security as provided in this Agreement and in the security instrument. If Con Edison does not draw upon the security and/or exercise any and all rights in respect of such security as provided for in this Agreement and in the security instrument, then Con Edison shall return the security to the Applicant following verification of performance during the first Summer Capability Period following the Operational Date of the Project.

TAX LIABILITY AND CREDITS: The Company is not responsible for any taxes that may be imposed on Customer (or Applicant, if different) as a result of projects installed or incentives received under the Program. Applicants may wish to consult a tax advisor regarding any tax consequences of this offer. Each Applicant (and Customer, if different) must provide to Con Edison its valid Federal Tax Identification Number and a W-9 form. 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, 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: The Company will have sole discretion to determine the final resolution of any and all issues pertaining to the Program, including, but not limited to, project eligibility, energy savings and peak Demand Reduction achieved, and incentive amounts payable.

PROGRAM CHANGES: The Company reserves the right to modify or terminate this Program at any time, with or without notice, and without any liability to Applicant or Customer except as expressly stated herein. The Company will honor all written commitments made prior to the date of any such modification or termination, provided that a Project is fully completed by the time required hereby or thereby and all other requirements specified herein or therein are satisfied.

PROGRAM EXPIRATION: Enrollment for this Program will end at the end of the summer of the final year identified as part of the Non-Wires Solution Details box, when funds are depleted, or when the Program is terminated, whichever occurs first.

NOTICE OF RELEASE: If Con Edison no longer needs the Applicants ESS solution for load relief before the conclusion of the agreed to Summer Capability Periods, then Con Edison will provide written notice to the Applicant by April 1 prior to the next Summer Capability Period. In such circumstances the Applicant is required to maximize market revenue streams throughout the Summer Capability Period to buy-down Con Edison's remaining Reservation Payments. Con Edison will continue making remaining Reservation Payments for the Agreement less 75% of Shared Revenues (i.e., Revenue Sharing).

CONTRACT EXTENSION: Unless otherwise terminated, this Agreement may be renewed for successive one-year periods at the mutual agreement of the parties. Either party (Applicant/ Customer, on the one hand, and Con Edison, on the other hand) may provide to the other party a written notice of extension at least ninety (90) days prior to the scheduled termination, and the other party may accept or decline such written notice of extension.

DISCLAIMER: Applicant and Customer each acknowledge and agree that their submission of this Agreement and, if applicable, participation in the Program, are completely voluntary. Applicant and Customer further acknowledge and agree that neither the Company nor its affiliated entities nor their respective trustees, directors, officers, shareholders, employees, contractors, agents or representatives shall be liable to Customer or Applicant or to any other person or entity for any claim, charge, complaint, cause of action, damage, loss, agreement or liability 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 Project undertaken or attempted to be undertaken by Customer, including, without limitation, the removal of, installation of, or use of any equipment, load reduction or demand response measures in connection with the Program, (b) the review, rejection or approval of this Agreement, any worksheets, attachments or addendums by the Company or its contractors or representatives, or (c) the determination of the total incentive amounts due to Customer or Applicant.

NO REPRESENTATIONS OR WARRANTIES: NEITHER THE COMPANY NOR ITS CONTRACTORS, REPRESENTATIVES OR AGENTS MAKE ANY REPRESENTATION OR WARRANTY OF ANY KIND (WHETHER ARISING BY IMPLICATION OR BY OPERATION OF LAW) WITH RESPECT TO THE PROGRAM, ANY PROJECT, THE ADEQUACY OF ANY PROJECT DESIGN OR PLAN OR ENERGY EFFICIENCY OR DEMAND MANAGEMENT MEASURE OR ANY EQUIPMENT, CONSTRUCTION OR INSTALLATION OF EQUIPMENT OR THE AMOUNT OF INCENTIVES TO BE PAID WITH RESPECT TO A PROJECT, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OR REPRESENTATIONS AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER MATTER. THIS PROVISION SHALL SURVIVE THE EXPIRATION, TERMINATION OR CANCELLATION OF THIS AGREEMENT AND THE PROGRAM AND ANY PARTICIPATION THEREIN BY APPLICANT (AND CUSTOMER, IF DIFFERENT).

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

RELEASE; INDEMNIFICATION: To the fullest extent permitted by law, 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 the Company, its affiliated entities, and their respective contractors, past, present and future officers, directors, trustees, shareholders, employees, agents, representatives, successors and assigns (collectively, the "Indemnified Parties"), from and against, any and all claims, charges, complaints, causes of action, damages, losses, costs, interest, and liabilities of any kind or nature whatsoever, including reasonable 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) Customer's or Applicant's Agreement to participate in the Program (whether accepted or rejected). Accordingly, the Company recommends that all Applicants (and Customers, if different) consider engaging qualified engineers or other qualified consultants to evaluate the risks and benefits 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. Applicant (and Customer, if different) understands that this Agreement may not be approved if the Company determines that the proposed project does not meet the requirements of the Program. Applicant (and Customer, if different) understands that final payment of any incentive amounts is contingent on satisfaction of all terms and conditions of the Program.

GOVERNING LAW - JURISDICTION AND VENUE: The validity construction and performance of these terms and conditions shall be governed by and construed and enforced 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 in any action, suit or proceeding related to, or arising out of this Agreement 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 Customer and/or Applicant at its address set forth in this Agreement.

SEPARATE COUNSEL: THIS AGREEMENT IS A LEGAL DOCUMENT. Before submitting this Agreement and participating in the Program, Applicant (and Customer, if different) is encouraged to retain legal counsel to review the terms and conditions of this Agreement and to advise it regarding its rights and obligations hereunder and under the Program.

SEVERABILITY: If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions are in no way affected or impaired. The remaining provisions remain in full force and effect and the invalid, illegal or unenforceable provision will be deemed stricken from the agreement. If necessary to effectuate the intent of the agreement, the parties will cooperate to reach a mutually acceptable provision which is valid, legal, and enforceable to replace the stricken provision.

NOTICES: For coordination purposes, any notice or other communication, including a change of address or of the person to be notified (but not including invoices or routine correspondence relating to performance of the Services) given under this Agreement to any party must be in writing and must be sent by hand or overnight mail service, or registered or certified United States mail, return receipt

requested, to the attention of the parties at the respective addresses set forth below:

to the Company: Consolidated Edison Company of New York, Inc.
4 Irving Place, 10th Floor NW \New York, NY 10003
Attn: Director of Energy Efficiency and Demand Management

with a copy to: Consolidated Edison Company of New York, Inc.
4 Irving Place, Room 1800
New York, NY 10003
Attn: General Counsel

to the Applicant/Customer:

Attn:

with a copy to:

Attn:

HEADINGS: The descriptive headings used in this Agreement are for purposes of convenience only and do not constitute a part of this Agreement.

MODIFICATION; AMENDMENT OR SUPPLEMENT: This Agreement, together with all documents and other materials delivered pursuant hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements or understandings, written or oral, with respect to such subject matter. Any modification, amendment or supplement to this Agreement shall not be valid or enforceable against either party unless it is in writing and signed on behalf of both parties by their respective duly authorized representatives.

NON ASSIGNMENT: Neither this Agreement, nor any part or the whole of any project arising hereunder, and to include no part or the whole of any work associated with any project, may be assigned, delegated, subcontracted, or otherwise transferred by Applicant and/or Customer without the prior written approval of the Company in each case.

INDEPENDENT CONTRACTORS: The parties acknowledge that as between the Company, on the one hand, and Applicant and Customer, on the other hand, that the parties are independent contractors hereunder, and that nothing in this Agreement shall be construed so as to create any partnership, joint venture, or employee-employer

relationship among or between any and all of the Company and Applicant and Customer, including, without limitation, any revenue sharing arrangement hereunder. Neither party shall represent itself as having the authority or power to bind, or act on behalf of, the other party. Each party will be solely responsible for payment of all compensation owed to its employees and employment-related taxes, as well as maintenance of appropriate worker's compensation for its employees and general liability insurance.

COUNTERPARTS: This Agreement may be executed in two (2) or more counterparts, each of which, taken together, shall be deemed to be an original, but all of which shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

Agreement Requirements (Please Check Both)

Yes, I have provided a detailed Scope of Work document (SOW).

Yes, I have signed the Program Agreement.

To ensure that your Agreement package is processed in a timely manner, please make sure that you submit all of the documentation below:

1. Completed Program Agreement
2. Signed Addendum 2 – If no changes check box on top of Addendum 2.
3. Scope of Work, including all relevant information.
 - Cut Sheets for all equipment, including technical data and testing laboratory information
 - Project Schedule (Including estimated Start/Operational Dates on Page 2)
 - W-9 Form
 - Proposed Cost Estimates
 - Completed Addendum 1/Multiple Facilities Template (if applicable)

Agreement and Signature (Required for all Agreements)

I certify that all statements made in this Agreement and required documents provided are true and correct to the best of my knowledge. I agree to the terms and conditions of the Program set forth in this Agreement. **A signature is required from the Customer (Account Holder) or Applicant, if different. (An Applicant may be a Customer or a third-party authorized to apply for the Program on behalf of the Customer or Customers identified on Page 1 of, or in Addendum 1 to, this Agreement.)**

| | | |
|---|--------------------------|------|
| Account Holder Name <i>(please print)</i> | Account Holder Signature | Date |
| Applicant Name <i>(please print)</i> | Applicant Signature | Date |
| Con Edison Authorized Representative | Signature | Date |

Addendum 2: Proposed Modifications to the Non-Wires Solutions Energy Storage Program Agreement Standard Terms, Additional Project Plan Details, Additional Scope of Work

Details, and Additional Specifications: (Please reference the section of the Program Agreement, Project Plan, Scope of Work or other document appended to the Program Agreement when providing information in this Addendum. If there are no changes to the Program Agreement and no additional details or specifications included in this Addendum, check the box below and sign the Addendum where indicated.)

No changes have been made to the Non-Wires Solutions Energy Storage Program Agreement and no Addendums or other documents have been appended to it.

| | | |
|--|--------------------------|------|
| Account Holder Name <i>(please print)</i> | Account Holder Signature | Date |
| Applicant Name <i>(please print)</i> | Applicant Signature | Date |
| Accepted by Con Edison Representative <i>(please print Name and Title)</i> | Con Edison Signature | Date |