

Targeted Steam Air Conditioning Incentive Program PROGRAM GUIDELINES – Maintenance Incentives

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

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

- 1. Maintenance Incentive.** Con Edison will provide an additional Maintenance Incentive to a customer who (i) completes the process for and is eligible to receive a Steam Chiller Incentive (see “Program Guidelines – Steam Chiller Incentives” and “Program Guidelines – Eligibility Criteria and Participation Requirements”, which are available on the Company’s steam website at <http://www.coned.com/steamac>), (ii) indicates its desire to apply for the Maintenance Incentive in the Program Application or otherwise in writing to the Company no later than thirty (30) days following the Program Application’s Submission Date, and (iii) submits during or prior to Con Edison’s post-installation inspection, a true and correct copy to Con Edison of a service contract for a specified term entered into between customer and the manufacturer of the Incentivized Equipment (or one of its approved service providers or representatives).
- 2. Remote Monitoring Bonus.** A Remote Monitoring Bonus Incentive will also be provided to any customer that elects to participate in a remote equipment monitoring program (which participation is set forth in the service contract) and satisfies the conditions described in these Program Guidelines.
- 3. Incentive Amounts.** Subject to satisfaction of the conditions described in these Program Guidelines and the Customer Agreement, Con Edison will pay a maintenance incentive of \$5/ton, and remote monitoring bonus of \$2 per ton, of the Incentivized Equipment’s capacity in respect of each year of the service contract’s term (not to exceed ten years), subject to a maximum annual limitation of \$3,000 and \$1,000, respectively, or the actual amount payable by the customer under the service contract, whichever is less. The Incentive is payable only in respect of the Incentivized Equipment under the Targeted Steam AC Incentive Program, and may be applied to any and all maintenance activities associated therewith. Payment of the incentive will be made in a single lump sum amount at the same time that the Steam Chiller Incentive is paid, based on the net present value of the expected annual payments over the term of the service contract (subject to the aforementioned maximum limitations), and employing a discount rate as determined by Con Edison. The tables below describe expected incentive amounts based upon maintenance contract duration and Incentivized Equipment capacity, for reference.

Maintenance Contract - Lump Sum Amount

Capacity (Tons)	Service Contract Term (Years)									
	1	2	3	4	5	6	7	8	9	10
100	\$466.96	\$903.07	\$1,310.36	\$1,690.73	\$2,045.97	\$2,377.74	\$2,687.59	\$2,976.96	\$3,247.21	\$3,499.60
150	\$700.44	\$1,354.60	\$1,965.53	\$2,536.10	\$3,068.96	\$3,566.61	\$4,031.38	\$4,465.44	\$4,870.81	\$5,249.40
200	\$933.92	\$1,806.13	\$2,620.71	\$3,381.46	\$4,091.94	\$4,755.48	\$5,375.17	\$5,953.91	\$6,494.42	\$6,999.20
250	\$1,167.40	\$2,257.67	\$3,275.89	\$4,226.83	\$5,114.93	\$5,944.35	\$6,718.96	\$7,442.39	\$8,118.02	\$8,749.00
300	\$1,400.88	\$2,709.20	\$3,931.07	\$5,072.19	\$6,137.92	\$7,133.22	\$8,062.76	\$8,930.87	\$9,741.62	\$10,498.80
350	\$1,634.36	\$3,160.73	\$4,586.24	\$5,917.56	\$7,160.90	\$8,322.09	\$9,406.55	\$10,419.35	\$11,365.23	\$12,248.60
400	\$1,867.84	\$3,612.27	\$5,241.42	\$6,762.92	\$8,183.89	\$9,510.96	\$10,750.34	\$11,907.83	\$12,988.83	\$13,998.40
450	\$2,101.33	\$4,063.80	\$5,896.60	\$7,608.29	\$9,206.88	\$10,699.83	\$12,094.13	\$13,396.31	\$14,612.43	\$15,748.20
500	\$2,334.81	\$4,515.33	\$6,551.78	\$8,453.65	\$10,229.86	\$11,888.70	\$13,437.93	\$14,884.79	\$16,236.04	\$17,498.00
550	\$2,568.29	\$4,966.87	\$7,206.95	\$9,299.02	\$11,252.85	\$13,077.57	\$14,781.72	\$16,373.26	\$17,859.64	\$19,247.80
>600	\$2,801.77	\$5,418.40	\$7,862.13	\$10,144.38	\$12,275.83	\$14,266.44	\$16,125.51	\$17,861.74	\$19,483.25	\$20,997.60

Remote Monitoring Bonus - Lump Sum Amount

Capacity (Tons)	Service Contract Term (Years)									
	1	2	3	4	5	6	7	8	9	10
100	\$186.78	\$361.23	\$524.14	\$676.29	\$818.39	\$951.10	\$1,075.03	\$1,190.78	\$1,298.88	\$1,399.84
150	\$280.18	\$541.84	\$786.21	\$1,014.44	\$1,227.58	\$1,426.64	\$1,612.55	\$1,786.17	\$1,948.32	\$2,099.76
200	\$373.57	\$722.45	\$1,048.28	\$1,352.58	\$1,636.78	\$1,902.19	\$2,150.07	\$2,381.57	\$2,597.77	\$2,799.68
250	\$466.96	\$903.07	\$1,310.36	\$1,690.73	\$2,045.97	\$2,377.74	\$2,687.59	\$2,976.96	\$3,247.21	\$3,499.60
300	\$560.35	\$1,083.68	\$1,572.43	\$2,028.88	\$2,455.17	\$2,853.29	\$3,225.10	\$3,572.35	\$3,896.65	\$4,199.52
350	\$653.75	\$1,264.29	\$1,834.50	\$2,367.02	\$2,864.36	\$3,328.84	\$3,762.62	\$4,167.74	\$4,546.09	\$4,899.44
400	\$747.14	\$1,444.91	\$2,096.57	\$2,705.17	\$3,273.56	\$3,804.38	\$4,300.14	\$4,763.13	\$5,195.53	\$5,599.36
450	\$840.53	\$1,625.52	\$2,358.64	\$3,043.32	\$3,682.75	\$4,279.93	\$4,837.65	\$5,358.52	\$5,844.97	\$6,299.28
>500	\$933.92	\$1,806.13	\$2,620.71	\$3,381.46	\$4,091.94	\$4,755.48	\$5,375.17	\$5,953.91	\$6,494.42	\$6,999.20

4. **Requirements.** To receive the Maintenance Incentive, customer shall submit its maintenance service agreement to Con Edison for review and approval during or prior to the post-installation inspection. To be approved, such agreement must pertain exclusively to the Incentivized Equipment installed under the Program [(or Con Edison will allocate the costs of such contract to the Incentivized Equipment and other equipment covered thereby as determined in its sole discretion)] and shall be with the Incentivized Equipment's manufacturer (or with its authorized service provider or representative). Customer is expected to maintain its service contract in good standing throughout its term; should it fail to do so, customer may be required to repay to Con Edison Maintenance Incentive amounts previously paid. See "Con Edison's Clawback Rights" below.
5. **Remote Monitoring.** To receive the Remote Monitoring Bonus Incentive, the customer must enter into a contract with the manufacturer (or manufacturer approved contractor) that meets the following minimum requirements and submit the same to Con Edison during or prior to the post-installation inspection:
 - (a) The equipment must be monitored from a dedicated remote facility on a 24/7/365 basis.

- (b) Upon receipt of an alarm, the contracted service must provide an automatic notification by means of e-mail, text message, automated voice message, or pager for immediate response.
- (c) The remote facility must compile and store a history of all critical alarms.
- (d) A trained technician, from the remote monitoring facility, must have the capability to diagnose and troubleshoot any issue from his/her connection interface without initiating any on-site requirement. When this is not possible, a service technician is automatically dispatched with proper information about the issue and resolution.
- (e) A trained technician, from the remote monitoring facility, must have the capability to identify changes in trending data and diagnose the issue. As required, he/she will dispatch a service technician and inform the applicant of the potential issue.

Customer is expected to continue its remote monitoring participation for the duration of the service contract's term; should it fail to do so, customer may be required to repay to Con Edison Remote Monitoring Incentive amounts previously paid. See "Con Edison's Clawback Rights" below.

6. **Payment of Maintenance Incentives.** Upon satisfaction of the conditions set forth above (including, without limitation, submission and approval of all the required documentation within the time periods set forth above), a Maintenance Incentive check will be sent to the customer at the address provided in the Program Application (which check may include a Remote Monitoring Bonus, as applicable). If the documentation provided by customer is rejected, the customer will receive an official rejection letter from Con Edison, indicating the reasons for rejection and Con Edison contact information if further discussion is desired.
7. **Con Edison's Clawback Rights.** Maintenance Incentives (including any Remote Monitoring Bonuses) are subject to certain clawback rights of Con Edison, as detailed in the Customer Agreement. All customers should review the form of Customer Agreement provided to it by Con Edison or made available on its website: <http://www.coned.com/steamac> in detail to understand all their Program obligations.
8. **Reservation of Rights.** Con Edison reserves the right to change or terminate this Incentive Program, including the Maintenance Incentive and Remote Monitoring Bonus components thereof, and to otherwise amend these and the other Program Guidelines at any time and for any reason. However, Con Edison will honor all written commitments made in Acceptance Letters (provided that a Customer Agreement is promptly entered into in accordance with the Program Guidelines) and in Customer Agreements duly executed by Con Edison, provided that customer complies with its obligations under the Program Agreement and the project installations satisfy the conditions contained in the Program Guidelines.