



PECO Small Business Solutions

Small Business Solutions Provider Application & Agreement

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1 SMALL BUSINESS SOLUTIONS PROVIDER APPLICATION

Company Name:				
Primary Contact Name:			Title:	
Primary Contact Phone:		Email:		Fax:
Secondary Contact Name:			Title:	
Secondary Contact Phone:		Email:		Fax:
Company Address:				
Address for Payments if Different:				
Company Federal Tax ID (must provide W9):				
If applicable, select the verifiable options that describe your business ownership (check all that apply):				
Disabled Owned	<input type="checkbox"/>	Disadvantaged Business	<input type="checkbox"/>	Economically Disadvantaged WOSB
LGBTQ-Owned	<input type="checkbox"/>	Veteran-Owned	<input type="checkbox"/>	Minority-Owned
SBA Hubzone	<input type="checkbox"/>	Service-Disabled Veteran-Owned	<input type="checkbox"/>	Service-Disabled Veteran-Owned Small Business
Small Business	<input type="checkbox"/>	Small Disadvantaged Business	<input type="checkbox"/>	Minority and Woman-Owned Business Enterprise
Women-Owned	<input type="checkbox"/>	Women-Owned Small Business	<input type="checkbox"/>	
Check one tax status below:				
Corporation	<input type="checkbox"/>	Partnership	<input type="checkbox"/>	Government Facility
Individual/Sole Proprietor	<input type="checkbox"/>	Tax Exempt	<input type="checkbox"/>	Other
Years in Business:		Full-Time Employees in Pennsylvania:		
Check all the services your firm provides:				
<input type="checkbox"/>	Install Refrigeration Measures	<input type="checkbox"/>	Install HVAC Controls	
<input type="checkbox"/>	Install Lighting Measures	<input type="checkbox"/>	Install VFD Measures	
<input type="checkbox"/>	Install Lighting Controls	<input type="checkbox"/>	Install Compressed Air Measures	
<input type="checkbox"/>	Install HVAC Measures	<input type="checkbox"/>	Other _____	
Do you offer financing to customers? (please select one)			Yes	No

List all applicable licenses below and submit a photocopy of each license/card to the Small Business Solutions Administrator, with this application. See Item 5 (on page 6) for information regarding required license(s).

License Type	License Holder	License #	Expiration Date

Must provide a copy of PA Business Registration Certificate from the PA Division of Revenue website.

Must provide insurance certificates for all territories the contractor works within.

Number of energy efficiency projects your firm has installed over the last four years:

2018: _____

2019: _____

2020: _____

2021: _____

2 PROJECT REFERENCES

Please submit a project reference from three (3) small business customers for energy efficiency projects completed within the past three years. The PECO Small Business Solutions team will contact each reference during the approval process; we ask that the you notify reference contacts ahead of our outreach efforts to help speed up the review process. Please provide the contact information for each reference in the reference section below:

Reference #1	Reference #2	Reference #3
Type of work performed	Type of work performed	Type of work performed
Contact Name	Contact Name	Contact Name
Business Name	Business Name	Business Name
Street	Street	Street
City State	City State	City State
ZIP	ZIP	ZIP

Phone	Phone	Phone
Email Address	Email Address	Email Address

Please include a list of all intended services areas (lighting, HVAC, etc.) below (attach extra pages if needed):

Do you agree to abide by the laws and regulations of the Commonwealth of Pennsylvania and the prevailing local jurisdiction as they relate to the disposal of hazardous waste materials related to PECO Small Business Solutions as outlined in Section 11?

Yes ☐ No ☐

3 CHANNEL AGREEMENT

I agree to abide by the terms and conditions of PECO Small Business Solutions as outlined in this Agreement. I have read and understand the channel requirements, measure specifications and channel guidelines set forth in the PECO Small Business Solutions Policies and Procedures Manual and agree to abide by those requirements. I certify that the information on this Application is true and accurate.

Small Business Solutions Provider	DNV
Signature	Signature
Name (print)	Name (print)
Title	Title
Date	Date

4 PURPOSE OF AGREEMENT

This Agreement is between DNV Energy Services USA Inc. (“DNV”), an independent contractor of PECO Energy Company (“PECO”), which serves as the Channel Administrator of PECO Small Business Solutions (“Channel”), and the Small Business Solutions Provider listed on Page 2 of this Agreement (DNV and the Small Business Solutions Provider may be referred to herein as a “Party” or collectively as, “the Parties”). This Agreement provides the terms and conditions that will govern the Small Business Solutions Provider’s performance as a Channel-approved Small Business Solutions Provider. Execution of this Agreement by DNV will signify Small Business Solutions Provider’s authorization to act as a Channel-approved Small Business Solutions Provider. Channel-approved Small Business Solutions Providers will receive incentive payments for qualifying energy efficiency projects directly from DNV. Channel-approved Small Business Solutions Providers will market, sell, and install, for eligible customers for these projects. This Agreement is effective when fully executed by both Parties.

5 CHANNEL OVERVIEW

The Channel is designed to maximize the implementation of comprehensive, cost-effective, energy efficient measures for eligible customers in the PECO service territory. This Channel is designed to promote the installation of energy efficient technologies in small businesses that normally do not have easy access to energy efficiency programs. The primary barrier for small businesses is limited access to the capital needed to perform energy efficiency upgrades and the competing needs for funding other business projects. The Channel has set incentive levels to encourage this market. These incentive levels help to ensure short payback periods and low measure installation costs for customers. Small Business Solutions Providers also benefit from these incentive levels because the Channel effectively sells itself, allowing Small Business Solutions Providers to minimize marketing efforts and focus on working directly with participating customers.

Incentives for the installation of approved measures (“Incentive”) are paid directly to Small Business Solutions Providers. The Channel works with Small Business Solutions Providers to provide customers with on-site facility assessments and Incentives for electric and gas equipment upgrades that will yield energy savings. The Channel has limited funding. Incentives will be paid until allocated funds are depleted. If funds are available, incentives for particular projects will be reserved once a completed Participation Agreement has been received by the Channel Administrator. The Channel and its incentive levels may be modified or terminated without notice.

The total incentive for any project will be the sum all of incentives per measure. Each measure’s maximum incentive value (based on units x \$/units) is summed to determine the total maximum incentive for that project. There are incentive caps based on total project cost, the incentive will not exceed 100% of the project cost.

6 CUSTOMER ELIGIBILITY

To receive an incentive, the facility at which the energy efficiency project (the “Project”) is being installed (the “Facility”) must be served by PECO. Projects must result in an improvement in energy efficiency. The Channel is available to all PECO commercial customers with individual facility electricity peak demand usage of less than 250 kW. Customer must have an account with a rate class of “GS” and the municipal lighting rate classes “SL-S/SL-E/AL.” Common areas of multifamily or mixed-use buildings are not eligible for incentives through PECO Small Business Solutions but may participate in PECO’s Prescriptive Channel.

The installed measures are not eligible for incentives from other PA Act 129 Phase IV Energy Efficiency Programs. Incentivized equipment must meet the specifications as explained in the PECO Small Business Solutions Measures and Equipment Specifications Manual. The PECO customer may be required to refund some or all of the incentive if the measures do not remain installed for a period of five (5) years or for the remainder of the product life of the measure, whichever is less.

7 CHANNEL EFFECTIVE DATES

The Channel will be open for eligible customers after January 1, 2022.

Small Business Solutions Providers must install all projects and submit a Project Completion Form, which indicates that the work is complete, on or before May 31, 2026, to be eligible for incentives.

8 RESPONSIBILITIES

As the Channel Administrator, DNV’s responsibilities in PECO Small Business Solutions include, but are not limited to:

- Channel design and administration
- Channel marketing
- Development and administration of the proposal generation software
- Approval of all project proposals
- Conducting both pre- and post-installation inspections
- Payment of incentive to Channel-approved Small Business Solutions Providers

Channel-approved Small Business Solutions Provider's responsibilities in PECO Small Business Solutions include, but are not limited to:

- Active, accurate and timely participation in the Channel
- Attendance at required training
- Verbally explain to customer scope of retrofit work and customer co-pay requirements
- Customer marketing, sales, and project development
- Use of the proposal generation software to create, expedite, and streamline projects
- Procure and install material – All equipment must meet the standard requirements and specifications in the PECO Small Business Solutions Measures and Equipment Specification Manual
- Removal and disposal of hazardous waste, equipment, and materials retrofitted or replaced as part of the project, even if the customer requests to keep it. Must be done in compliance with all applicable laws and regulations and proof of proper disposal must be provided upon request.
- Resolving customer complaints or failed inspection items within 14 calendar days of receipt of complaint or notice of failed inspection.
- Submitting required forms and documentation (including but not limited to material invoices and specification sheets) to the Channel Administrator.
- Obtaining appropriate and applicable permits in accordance with state and local laws
- Collection of residual payment from the participating business.
- To maintain your company's status as a Small Business Solutions Provider, your company must submit at least one (1) approved PECO Small Business Solutions project proposal every twelve-month period from the Small Business Solutions Provider approval date.

9 REQUIRED LICENSES AND W-9

Participating Small Business Solutions Providers must be licensed in Pennsylvania, as appropriate for services performed. Small Business Solutions Providers must also have current licenses to perform the specific services they will provide as required by the Commonwealth of Pennsylvania and applicable local ordinances. Small Business Solutions Provider agrees to notify the Channel Administrator of any changes to license(s) that would affect work performed under this Channel.

Small Business Solutions Provider must provide a W-9 with the Tax-ID assigned to the business name applying for approval. Small Business Solutions Provider must also provide their license number(s).

All required licenses and W-9 must be annually re-submitted to the Channel by all Small Business Solutions Providers or Provider risks being removed from this channel opportunity.

10 PERMIT REQUIREMENTS

The Small Business Solutions Provider agrees to obtain any and all applicable and appropriate permits for any electrical work in accordance with the requirements of the Commonwealth of Pennsylvania and local ordinances. For more information regarding permit requirements visit <https://www.dli.pa.gov/ucc/Pages/Plan-Review-and-Inspection-Requirements.aspx> or <https://www.phila.gov/services/permits-violations-licenses/apply-for-a-permit/building-and-repair/get-an-electrical-permit/>.

DNV reserves the right to request any copies of such permits at its sole discretion, and the Small Business Solutions Provider may be required to submit proof that a permit has been obtained for every Project that requires one.

11 INSURANCE

The DI Provider agrees to carry, at all times, insurance applying to the work undertaken by the DI Provider, DI Provider agents, employees and any person(s) for whom the DI Provider may be liable, including, but not limited to the following:

Workers' compensation including employer's liability of at least \$1,000,000

Comprehensive general liability of at least \$1,000,000 each occurrence

Automobile liability of at least \$1,000,000 per occurrence

Excess / Umbrella minimum aggregate and per occurrence of at least \$4,000,000

Except for worker's compensation and employer's liability's, PECO, DNV Energy Services USA Inc., their officers, directors, employees, and subcontractors shall be included as additional insurers in the Small Business Solutions Provider's insurance policies. Such insurance shall be considered primary insurance. Any separate insurance maintained by PECO or DNV shall not contribute with insurance extended by Small Business Solutions Provider's insurer(s) under this requirement. Certificates of Insurance shall be delivered to DNV at the execution of this Agreement. Certificates of insurance shall indicate that the aforementioned insurance is in full

force and effect, and that DNV will receive at least thirty (30) days prior written notice to cancellation or modification of said insurance. The liability of Small Business Solutions Provider to PECO, DNV, and their officers, directors, employees, and subcontractors is not limited to Small Business Solutions Provider's insurance coverage.

12 CHANNEL WARRANTIES

PECO AND DNV DO NOT MAKE ANY WARRANTY OR REPRESENTATION OF ANY KIND, EXPRESSED OR IMPLIED OR ASSUME ANY LEGAL LIABILITY OR RESPONSIBILITY FOR THE INSTALLATION OR PERFORMANCE OF MEASURES OR INSTALLED EQUIPMENT UNDER THE CHANNEL. FURTHER, THE SMALL BUSINESS SOLUTIONS PROVIDER UNDERSTANDS AND AGREES THAT NEITHER PECO NOR DNV MAKE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND, WHETHER STATUTORY, EXPRESSED, OR IMPLIED, INCLUDING WITHOUT LIMITATIONS, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE REGARDING ANY ENERGY EFFICIENCY MEASURE PROVIDED BY MANUFACTURER OR VENDOR.

13 HAZARDOUS WASTE MATERIALS

All materials removed must be permanently taken out of service and disposed of in accordance with all applicable local codes and ordinances. Small Business Solutions Provider shall assume full responsibility for the correct disposal of all ballasts, fluorescent tubes and other hazardous waste material in compliance with applicable laws and regulations of the Commonwealth of Pennsylvania and the prevailing local jurisdiction. Small Business Solutions Provider is responsible for being aware of any applicable codes or ordinances. Information about the requirements for the Commonwealth of Pennsylvania can be found at the Pennsylvania Department of Environmental Protection Website: <https://www.dep.pa.gov/>. Small Business Solutions Provider shall provide the Channel Administrator with full documentation of all hazardous waste material disposals on request.

14 AUTHORIZED WORK

Small Business Solutions Provider is only authorized to perform the work as described on the project Participation Agreement and/or Change Order, whichever is most current. It is the Small Business Solutions Provider's responsibility to ensure that the Change Order is consistent with the Participation Agreement signed by the participating business customer and to confirm any changes that may have resulted from the pre-inspection. The Participation Agreement and/or the Change Order obligates the Channel to pay the incentive to the Small Business Solutions Provider if the work has been completed in accordance with the Participation Agreement and/or Change Order and the terms of this Agreement. The Participation Agreement obligates the participating business customer to pay the Small Business Solutions Provider for the

residual amount of the project costs not covered by the Incentive, as noted on the payment notification form.

15 PROPRIETARY OR CONFIDENTIAL INFORMATION OR DATA

In the course of performing services in connection with the Channel, Small Business Solutions Provider may gain knowledge or information or data of a proprietary or confidential nature belonging to PECO, DNV, or the customers served by the Channel ("Channel Information"). Small Business Solutions Provider acknowledge and agree to neither divulge nor disclose any such information to any third party (or parties) without the express written consent of DNV and PECO, nor to allow such information to be divulged or disclosed.

During the term of this Agreement and expiration thereafter, except as may be authorize in writing, Small Business Solutions Provider will, and will cause its subcontractors and personnel to treat and cause to be treated as confidential and proprietary all Channel Information in their possession. In furtherance thereof, Small Business Solutions Provider will:

- Take commercially reasonable steps consistent with industry practices to prevent the disclosure of Channel Information except as permitted by this Agreement or otherwise agreed to in writing by PECO and DNV
- Use Confidential Information only in connection with the performance of the Work pursuant to this Agreement
- Make copies of Channel Information only as necessary for the performance of such Work
- Disclose Channel Information only to Small Business Solutions Provider personnel who have a need to know the Channel Information in connection with the performance or use of the Work
- Destroy or return Channel Information to PECO and DNV promptly following the request of a party

The Small Business Solutions Provider agrees not to use the names, identifying characteristics, logo, service mark, or trademark of PECO, DNV, and/or the Channel for published project reports, advertising, sales promotion, or other publicity without the written approval from PECO and/or DNV.

16 CHANNEL RULES

The Channel will establish and enforce Channel rules such as, but not limited to, minimum equipment standards, installation standards, disclosure requirements, and documentation requirements. All rules must be followed to receive Incentives. The Channel has reserved the

right to modify Channel rules at its discretion. Channel rules in place at the time that Small Business Solutions Provider signs a Participation Agreement and/or Change Order, whichever is more current, will apply to that specific Project.

The Channel may terminate the Agreement at any time upon written notification to Small Business Solutions Provider. Small Business Solutions Provider may be allowed to complete projects previously begun, provided Small Business Solutions Provider is in possession of a signed Participation Agreement and/or a Change Order. Small Business Solutions Provider will be paid an incentive for work completed as long as applicable Channel rules are followed.

The use of the Channel can be a powerful opportunity to leverage resources to obtain cost-effective energy efficiency improvements for utility customers. At the same time, poorly performing Small Business Solutions Providers can create obstacles for the entire Channel. Therefore, it is important to maintain oversight and mitigate any difficulties as rapidly as possible. In some instances, Small Business Solutions Providers may be removed from the Channel and the approved list. The following is a description of the processes and procedures the Channel will employ when reevaluating Small Business Solutions Provider participation.

16.1 Criteria for Removal

A Small Business Solutions Provider will be subject to removal in the discretion of the Channel Administrator based on the severity of the concern, or an accumulation of frequent, less severe concerns. All concerns that rise to the level of requiring removal of a Small Business Solutions Provider are a Channel matter with regards to the Small Business Solutions Provider Application and Agreement, or a matter of professional conduct. We classify the concerns as follows:

- I. **Highly severe:** items that may result in financial, legal and/or other risks to the Channel and/or the customer. In such instances, a Small Business Solutions Provider may be immediately removed from the list. Examples include:
 - i. Evidence of fraud or misrepresentation
 - ii. Failure to keep licenses current
 - iii. Violations of Pennsylvania or local laws; for example, those concerning hazardous waste disposal
 - iv. Bankruptcy
- II. **Severe:** items where customer satisfaction may be negatively impacted if not addressed. The Channel will give the Small Business Solutions Provider a reasonable time limit to resolve the issue. If the issue is not resolved, the Small Business Solutions Provider may be removed from the Channel. Examples that would result in removal include:

- i. Failure to resolve failed inspection items or customer complaints within 14 calendar days
- ii. Work that is inconsistent with the project proposal (quality or quantity)
- iii. Installations not meeting Channel specifications and installation standards

III. **Administrative/cumulative:** items where Small Business Solutions Provider fails to adhere to stated policies and procedures and/or reasonable standards of professional conduct, and subsequently, administrative issues arise which may not be widely visible to the customer. These situations will be monitored, and the Small Business Solutions Provider will be put on probation, meaning that further disregard for Channel policies and procedures or standards of professional conduct may result in Small Business Solutions Provider removal. Examples include:

- i. Continually submitting incomplete or incorrect documentation
- ii. The Channel receives more than two customer complaints within a 30-day period
- iii. Failure to submit at least one project proposal in a 12-month rolling period

16.2 Process

1. Upon identification of an issue or concern, the Channel will communicate the concerns to the Small Business Solutions Provider as soon as is practicable. Communication will be by phone, followed by documentation sent to the Small Business Solutions Provider via standard mail and/or e-mail. For highly severe concerns, the written document may be delivered with proof of receipt
2. The Channel will create a written record, a copy of which will be placed in the Small Business Solutions Provider's file
3. The Channel will discuss potential resolutions with the Small Business Solutions Provider and will be available for meeting with the Small Business Solutions Provider to resolve the issue
4. If a satisfactory resolution cannot be achieved, the Small Business Solutions Provider will be removed from the Channel

16.3 Possibility of Re-instatement

The Channel may consider reinstating a Small Business Solutions Provider on a case-by-case basis, subject to the Channel Administrator's discretion. However, only very rare circumstances will justify the Channel evaluating a Small Business Solutions Provider for re-instatement who

was removed from the list for a highly severe concern.

17 SMALL BUSINESS SOLUTIONS PROVIDER TRAINING

Small Business Solutions Provider agrees to participate in a Channel training session of up to four (4) hours for at least one (1) person from Small Business Solutions Provider's firm. This person must be the individual that will be developing, approving, and signing the project Participation Agreements. On-site training is helpful for new Small Business Solutions Providers as they become comfortable with the correct manner in which to perform site assessments. Small Business Solutions Provider agrees to request on-site training with a Channel quality assurance and control team within one month of becoming approved as a Small Business Solutions Provider, as the Small Business Solutions Provider deems needed. This training will involve accompanying the Small Business Solutions Provider to a minimum of one customer site to demonstrate how a proper assessment is performed and translated into a project application. This training will help to minimize discrepancies between the project application and the quality assurance and control team's findings, thus moving the project along in the process more quickly.

All training requirements for the Channel are in addition to the open network training requirements for DNV administered channels.

18 VERIFICATION

The Channel, Channel Administrator, PECO, its agents, measurement and verification contractor, and/or PUC statewide program evaluator reserve the right to inspect all Projects to verify compliance with the Channel rules and verify the accuracy of Project documentation. This may include pre-installation and/or post- installation verification, detailed lighting layout descriptions, metering, data collection, and interviews. All lighting projects are expected to comply with the Illuminating Engineering Society of North America (IESNA) recommended lighting levels and/or the local code(s). The customer must allow access to project documents and the Facility where the measures were installed for a period of five years after receipt of Incentive payment by the Channel.

The Channel reserves the right to conduct pre- and post-verification at every Facility. From time to time, PECO Small Business Solutions may choose to waive a pre- or post-verification. Failed post-verification may result in a secondary "re-verification" once a Small Business Solutions Provider has communicated that it has resolved the issue discovered during the initial post-verification. PECO Small Business Solutions Quality Assurance and Control team is available to accompany Small Business Solutions Providers on-site, upon request.

19 TERMINATION OF THIS AGREEMENT

Channel Administrator, at its own discretion, with or without cause, may immediately terminate this Agreement at any time upon written notification to the Small Business Solutions Provider. The Small Business Solutions Provider may be allowed to complete Projects previously begun, provided the Small Business Solutions Provider is in possession of a signed Participation Agreement and/or a Change Order. The Small Business Solutions Provider will be paid an incentive for work completed as long as all applicable Channel rules are followed.

The Channel Administrator reserves the right to extend, modify (this includes modification of program incentive levels) or terminate this Channel without prior or further notice.

20 PROFESSIONAL STANDARDS

The Small Business Solutions Provider shall perform its services with integrity, care, skill and diligence in accordance with the applicable professional standards currently recognized by such profession, and shall be responsible for the professional quality, technical accuracy, completeness and coordination of all reports, designs, plans, information, specifications and other items and services furnished under this Agreement.

21 LAWS, ORDINANCES, CODES AND REGULATIONS

The Small Business Solutions Provider shall comply with all applicable federal, state, and municipal laws, ordinances, codes, acts, statutes, rules order and regulations in performing services in its participation in the Channel.

22 SAFETY AND WORK PRACTICES

The Small Business Solutions Provider shall ensure that all work is performed in compliance with reasonable safety and work practices and applicable federal, state, and local laws, rules and regulations, including but not limited to Occupational Safety and Health Standards promulgated by the U.S. Secretary of Labor and the Pennsylvania Occupational Safety and Health Administration.

23 INCENTIVE PAYMENT

Payment of incentives is strictly subject to completion and verification of work in accordance with the Channel rules and the Participation Agreement and/or the Change Order, whichever is most current. The Channel Administrator may conduct a post verification of all completed Projects. If the Channel Administrator finds sufficient discrepancies between the work performed and the Participation Agreement or Change Order, the Small Business Solutions

Provider will have 14 calendar days from the time of notification to correct the discrepancy in a manner acceptable to the Channel Administrator.

Channel Administrator reserves the right to disapprove and reduce the incentive payment if the Channel rules are not followed or if work completed by the Small Business Solutions Provider is materially different than what was contained on the Participation Agreement and/or the Change Order, whichever is most current.

24 LIABILITY

IN NO EVENT SHALL PECO, DNV OR THEIR SUBCONTRACTORS BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, ARISING UNDER THE CHANNEL EVEN IF SUCH DAMAGES ARE FORESEEABLE OR THE DAMAGED PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER ANY SUCH DAMAGES ARE DEEMED TO RESULT FROM THE FAILURE OR INADEQUACY OF ANY EXCLUSIVE OR OTHER REMEDY. PECO AND DNV'S TOTAL LIABILITY UNDER THE CHANNEL SHALL BE LIMITED TO PAYING THE CHANNEL INCENTIVES AS SET FORTH HEREIN.

DNV or PECO reserves the right to not pay this incentive if the application and accompanying documentation are incomplete or inaccurate.

Small Business Solutions Provider shall defend, indemnify and hold harmless DNV and PECO, and their officers, and directors and, employees, representatives, members, shareholders, affiliates, agents and successors harmless from and against any and all claims, demands, liabilities, losses, damages, causes of action, suits, and expenses, including but not limited to injury, death or damage to property and other litigation and related damages, losses and expenses, violation of any laws, or failure to maintain any licenses or permits, including but not limited to attorney's fees arising out of or resulting from the services performed or failed to be performed by the Small Business Solutions Provider or anyone for whose acts they may be liable for in their participation in the Channel.

25 NO GUARANTEE

The Channel, including DNV and PECO have no obligations regarding and do not guarantee the energy savings and does not make any warranties associated with the measures eligible for Incentives under this Channel. Neither DNV nor PECO has any obligation regarding and does not endorse or guarantee any claims, promises, work, or equipment made, performed, or furnished by any Small Business Solutions Providers or equipment vendors that sell or install any energy efficiency measures.

26 NO ENDORSEMENT

PECO does not endorse, support or recommend any particular manufacturer, product or system design in promoting this program and PECO does not guarantee any specific level of energy savings with respect to any product, system design or energy efficiency measure.

27 CUSTOMER CO-PAYMENT

Small Business Solutions Provider shall disclose in writing to participating businesses any co-pay obligations. Small Business Solutions Provider is solely responsible for collecting payments for the project costs that are not covered by the Channel from the participating business. The Channel has no obligation to compensate Small Business Solutions Provider for non-payment by the participating business. The Small Business Solutions Provider has the right not to perform the installation if Small Business Solutions Provider has concerns about the creditworthiness of the participating business.

Small Business Solutions Provider and the participating business may also establish their own mutually agreeable payment terms if the standard payment terms of the Channel (full payment upon completion of work) are not satisfactory. The Small Business Solutions Provider may waive the customer co-pay. The Small Business Solutions Provider shall advise the customer that the co-pay exists on all Channel forms, and that the Small Business Solutions Provider is waiving this fee, if applicable.

In no case may the Small Business Solutions Provider charge the customer a co-pay that is higher than the co-pay amount specified in the payment notification form for services specified on that form. Under no circumstances should a customer's co-payment be collected prior to the completion of the post-verification and/or resolution of any discrepancies found by the Channel Administrator.

28 ENERGY ASSESSMENTS

The Small Business Solutions Provider shall perform no-cost energy assessments at participating customer Facilities. This assessment does not in any way obligate the customer to participate in this or any other PECO channel. At the conclusion of this assessment, the Small Business Solutions Provider shall thoroughly explain to the customer the changes needed to make the customer's Facility more energy efficient. In addition, the Small Business Solutions Provider shall explain all phases of work that will be completed on the customer's Facility. The Small Business Solutions Provider cannot penalize a customer in any way for canceling a Project prior to installation.

29 PROJECT FORMS AND TRACKING

DNV has developed the proposal generation software, a web-based tool for Small Business Solutions Providers to use to develop proposals, print project forms, and track projects. Small Business Solutions Providers are required to use the proposal generation software to create, expedite, and streamline their projects. Small Business Solutions Providers who do not use the proposal generation software may not participate in PECO Small Business Solutions.

30 SMALL BUSINESS SOLUTIONS PROVIDER PAYMENT

When the installation has been verified as completed according to the steps outlined in this Agreement, the Small Business Solutions Provider will be paid the incentive directly by PECO Small Business Solutions. The customer is responsible for paying the Small Business Solutions Provider its portion of the Project cost as stated in the Participation Agreement. Incentives are taxable and will be reported to the IRS unless the Small Business Solutions Provider's business is exempt or a corporation. PECO Small Business Solutions will report the Small Business Solutions Provider incentive(s) as income to the Small Business Solutions Provider on IRS Form 1099 unless the Small Business Solutions Provider has indicated Corporation or exempt tax status on the Small Business Solutions Provider Information portion of the Small Business Solutions Provider Application and Agreement. Small Business Solutions Provider must provide PECO Small Business Solutions with its tax identification number (usually FEIN) on the Small Business Solutions Provider information portion of this Agreement. Neither PECO nor DNV are responsible for any taxes that may be imposed on the Small Business Solutions Provider's business as a result of the Small Business Solutions Provider's receipt of Incentives.

SMALL BUSINESS SOLUTIONS PROVIDER SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS DNV AND PECO FROM ANY CLAIM, LIABILITY OR EXPENSE, INCLUDING BUT NOT LIMITED TO TAXES, PENALTIES, INTEREST AND ATTORNEYS' FEES, SUFFERED OR INCURRED BY DNV OR PECO AS A RESULT OF SMALL BUSINESS SOLUTIONS PROVIDER'S FAILURE TO REPORT AND/OR PAY TAXES OF ANY KIND IN ACCORDANCE WITH THIS AGREEMENT.

31 INDEPENDENT SMALL BUSINESS SOLUTIONS PROVIDER

Small Business Solutions Provider is an independent contractor and as such, nothing in this Agreement or the parties' activities hereunder shall be construed to imply the existence of any employment relationship, partnership, joint venture, agency relationship or fiduciary relationship of any kind or character. Small Business Solutions Provider and its employees are not eligible to participate in any DNV benefit programs available to DNV employees. Small Business Solutions Provider shall have complete control, supervision and direction of, and furnish its own equipment and personnel and over the manner and method of performing the work, provided

that Small Business Solutions Provider conforms to the requirements, restrictions, standards and obligations that may be required or established by this Agreement, DNV, PECO, or regulatory authorities. Any instructions or direction given by DNV shall not relieve Small Business Solutions Provider of its duties and obligations as an independent contractor.

32 ASSIGNMENT

The Small Business Solutions Provider shall not assign, transfer, or otherwise delegate this Agreement or any interest, or right or claim there under, nor subcontract any portion of the work to be performed, without the prior written consent of DNV subject to approval of PECO. For the avoidance of doubt, subcontracting includes hiring “contract employees,” day or seasonal laborers who do not receive W-2 wages from the Small Business Solutions Provider. Small Business Solutions Provider shall also be required to provide a list of all third-party sales team persons employed by the Small Business Solutions Provider, to verify their relationship when those individuals call with specific Small Business Solutions Provider proposal questions.

33 DAMAGES

The Small Business Solutions Provider assumes responsibility for all damages to property and injury to persons (including death) for all claims arising under or in connection with this Agreement, including responsibility for the actions or omissions of its employees, contractors, subcontractors, and agents and for the claims of third parties resulting from such actions or omissions.

34 EQUITABLE RELIEF

Small Business Solutions Provider agrees that irreparable damage may occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, it is agreed that the DNV and/or PECO shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

35 ENTIRE AGREEMENT

This Agreement contains the entire Agreement between the parties with respect to the matters covered. This Agreement cannot be modified except in writing signed by both Parties.

36 SEVERABILITY

If any term or provision of this Agreement shall be found by a court of competent jurisdiction to be illegal or otherwise unenforceable, that finding shall not invalidate the whole of this Agreement, but only such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the Parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreement of the parties set forth.

37 WAIVER

The failure of any party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right to insist upon strict adherence to that term or any other term of this Agreement. To be in force and enforceable, any waiver must be in writing and must be signed by both Parties.

38 GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, exclusive of its conflict of law rules. The parties hereby consent to the jurisdiction of the courts in the Commonwealth of Pennsylvania and agree that all disputes arising out of this Agreement shall be heard in the courts located in Pennsylvania. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES WAIVE THEIR RIGHT TO A TRIAL BY JURY IN ANY MATTER ARISING OUT OF OR RELATING TO THIS AGREEMENT.

39 THIRD PARTY BENEFICIARY

It is the intent of both Parties hereto that PECO is a third-party beneficiary of certain rights herein, including but not limited to Section 6, 10, 12, 14, 21, 22, 23, 26 and 28, or any indemnification rights set forth in this Agreement.

40 CONTACT INFORMATION

Channel or specific project inquiries should be directed to PECO Small Business Solutions as follows:

Phone: 215-381-2928

Email: pecowaystosave@cmcenergy.com

41 CHANNEL PROCESS

PECO Small Business Solutions process is explained below. The Small Business Solutions Provider must complete the steps as noted. The Small Business Solutions Provider will be expected to complete all steps in a timely manner. The Small Business Solutions Provider retains sole responsibility of soliciting eligible businesses. Being a Channel-approved Small Business Solutions Provider in no way guarantees any amount of work under the Channel. Projects that are solicited and developed by the Small Business Solutions Provider may be reassigned to another PECO Small Business Solutions Provider if the Small Business Solutions Provider does not comply with the Channel rules and the terms of this Agreement or chooses to not install the Project at a specific site.

41.1 Step 1 – Eligibility Confirmation

The Channel Administrator will verify the customer's eligibility through customer-provided bills, the customer look-up tool, or the eligible customer list from PECO.

41.2 Step 2 – PECO Small Business Solutions Overview and Energy Assessment

The Small Business Solutions Provider shall perform no-cost energy assessments at participating eligible PECO customer facilities. This assessment does not in any way obligate the customer to participate in this or any other PECO channel or program. After the energy assessment, the Small Business Solutions Provider shall thoroughly explain to the customer the available measures for energy efficiency. In addition, the Small Business Solutions Provider shall explain all phases of work that will be completed on the customer's premises.

41.3 Step 3 – Project Proposal and Participation Agreement

- Small Business Solutions Provider prepares one or more versions of the Participation Agreement using the Channel Administrator's Proposal Generation Software
- The Channel Administrator reviews and approves non-standard Participation Agreements, as appropriate
- Customer reviews the Participation Agreement and signs if customer wishes to proceed:
 - Customer must sign and/or initial, where applicable
 - Customer must initial where required; a check mark or "X" not accepted

- Customer and/or Small Business Solutions Provider may not modify the Participation Agreement terms and conditions in any way
- Small Business Solutions Provider signs and submits the Participation Agreement to PECO Small Business Solutions. If funds are available, incentives are reserved at the time the completed Participation Agreement is received by PECO Small Business Solutions:
 - When submitting Participation Agreements, Small Business Solutions Provider should submit a map or audit notes that lists the locations of the proposed retrofit(s)
 - The Channel Administrator will consider the first signed participation Agreement they receive as the active project if more than one Small Business Solutions Provider submits a Participation Agreement for the same Facility. If a customer chooses to go with a second Small Business Solutions Provider, after signing a Participation Agreement, that customer may contact PECO Small Business Solutions to cancel the first Participation Agreement as long as the installation has not yet been started

41.4 Step 4 – Pre-Installation Verification

Customer must provide access to the Facility.

- a. The Channel Administrator may conduct a pre-installation verification to verify existing equipment types and quantities and ensure that all proposed measures are feasible and appropriate
- b. If significant errors or inaccuracies greater than ten percent (10%) are identified by the Channel Administrator, a new Participation Agreement will need to be signed by the customer and Small Business Solutions Provider
- c. If inaccuracies less than ten percent are identified by the quality assurance and control team, the Small Business Solutions Provider signs and submits a Change Order
- d. Change Order letter is sent to the customer
- e. Small Business Solutions Providers will be required to maintain a 75% pre-verification pass rate. A monthly verification metric report will be reviewed to verify pre-verification pass rates. Small Business Solutions Providers that fall below this rate will be limited in the number of projects they can submit. This limit will be removed only after the next five projects pass verification at 100%

41.5 Step 5 – Measure Installation and Project Completion Form

- a. Small Business Solutions Provider works with customer to schedule installation

- b. Small Business Solutions Provider performs the installation within 60 days of passed pre-verification or change order
- c. Upon completion of the installation, Small Business Solutions Provider obtains the customer's signature on the project completion form, completes the project completion form, and sends to PECO Small Business Solutions

41.6 Step 6 – Post-Installation Verification

Customer provides access to the Facility. Then:

- a. PECO Small Business Solutions may conduct a post-installation verification to confirm that all measures have been correctly installed
- b. The Small Business Solutions Provider resolves any discrepancies within 14 calendar days

As part of program evaluation, PECO has a third-party measurement and evaluation contractor that inspects and monitors a sample of energy efficiency project installations. PECO Small Business Solutions may be evaluated by this organization

41.7 Step 7 – Final Approval Process and Final Payment Notification

- a. The Channel notifies the customer and Small Business Solutions Provider that the project is ready for Incentive payment via the payment notification form
- b. If the post-installation verification fails or no post-verification is performed, Small Business Solutions Provider and the customer have 14 calendar days after the date on the payment notification form to contest the project details and make corrections
- c. If post-installation verification passes, the project will proceed to payment with no 14-day notification period
- d. Once the project is approved or the 14-day waiting period has passed, PECO Small Business Solutions will request that payment be issued to Small Business Solutions Provider for the incentive. Small Business Solutions Provider will receive payment within 26 calendar days from the end of the payment notification period. Electronic Funds Transfer will be offered later in 2022 for interested Small Business Solutions Providers
- e. The Small Business Solutions Provider invoices the customer for the balance of the project cost, as provided on the payment notification form

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