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March 25, 2011

VIA ELECTRONIC SERVICE

Honorable Jaclyn A. Brillling
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Case 08-E-1129 -Petition of New York State Electric & Gas Corporation for Approval of an Energy Efficiency Portfolio Standard (EEPS) Utility-Administered Electric Energy Efficiency Program

Case 08-E-1130 - Petition of Rochester Gas and Electric Corporation for Approval of an Energy Efficiency Portfolio Standard (EEPS) Utility-Administered Electric Energy Efficiency Program

Dear Secretary Brillling:

Enclosed for filing in the above-referenced cases, please find New York State Electric & Gas Corporation's and Rochester Gas and Electric Corporation's jointly submitted Refrigerator and Freezer Recycling Program Implementation Plan and Refrigerator and Freezer Recycling Program Services Agreement, as required by item 4, page 12 of the January 25, 2011 *Order Approving Residential Gas and Electric Energy Efficiency Programs With Modifications*.

Please direct any questions regarding this filing to Joni Fish-Gertz at (607) 725-3936 or jjfishgertz@nyseg.com.

Respectfully submitted,

James A. Lahtinen

Enclosure

xc: Active Parties via ListServ

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

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Petition of New York State Electric & Gas Corporation :
For Approval of an Energy Efficiency Portfolio Standard : Case 08-E-1129
(EEPS) Utility-Administered Electric Energy Efficiency :
Program :
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Petition of Rochester Gas and Electric Corporation :
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**NEW YORK STATE ELECTRIC & GAS CORPORATION
AND
ROCHESTER GAS AND ELECTRIC CORPORATION
REFRIGERATOR AND FREEZER RECYCLING PROGRAM
IMPLEMENTATION PLAN**

Dated: March 25, 2011

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I. Introduction

This Refrigerator and Freezer Recycling Program Implementation Plan (“Plan”) is submitted by New York State Electric & Gas Corporation (“NYSEG”) and Rochester Gas and Electric Corporation (“RG&E”; together, “the Companies”) in response to the New York State Public Service Commission’s (“Commission”) January 25, 2011 *Order Approving Residential Gas and Electric Energy Efficiency Programs With Modifications* (“January 2011 Order”) at Ordering Clause 3. This Plan covers the period 2011-2012 and generally describes activities that will be conducted jointly by the Companies.

This Plan incorporates the approved costs and savings targets specified in Table 1 of the Appendix of the January 2011 Order. Additionally, this Plan conforms to the requirements of the January 19, 2010 letter (“January 2010 Letter”), provided by DPS Staff, specifying guidelines for preparing and submitting Implementation Plans.

The purpose of the NYSEG and RG&E Refrigerator and Freezer Recycling Program is to remove customers’ working second refrigerators and freezers. The program will include pick-up, environmentally sound disposal and recycling of these units, and an incentive to induce customers to participate in the program.

The Companies have selected an Implementation Contractor for the program and a contract should be signed shortly. The Implementation Contractor will be responsible for marketing and customer recruitment, determining customer eligibility, scheduling, removal and transportation, recycling, reporting, and quality assurance. The program will be jointly managed and implemented for the two utilities.

II. Cumulative and Annual Program Budgets, Energy Savings and Customer Participation Goals

Tables 1a and 1b summarize the approved annual and cumulative budgets and energy savings for the Refrigerator and Freezer Recycling Program. Tables 1a and 1b also provide the estimated number of participants in the program.

Table 1a - NYSEG Refrigerator and Freezer Recycling Program Costs & Savings Targets

	NYSEG		
	2011	2102	2011-2012 Total
Estimated number of participants	3,000	3,000	6,000
mWh Savings	4,361	4,361	8,722
Program and Administrative costs	\$ 1,381,000	\$ 1,281,000	\$ 2,662,000
Evaluation/M&V costs	\$ 67,421	\$ 67,421	\$ 134,842
Total costs	\$ 1,448,421	\$ 1,348,421	\$ 2,796,842

Table 1b – RG&E Refrigerator and Freezer Recycling Program Costs & Savings Targets

	RG&E		
	2011	2102	2011-2012 Total
Estimated number of participants	3,000	3,000	6,000
mWh Savings	4,361	4,361	8,722
Program and Administrative costs	\$ 1,381,000	\$ 1,281,000	\$ 2,662,000
Evaluation/M&V costs	\$ 67,421	\$ 67,421	\$ 134,842
Total costs	\$ 1,448,421	\$ 1,348,421	\$ 2,796,842

III. Refrigerator and Freezer Recycling Program Components

A. Total Resource Cost (“TRC”) Benefit Cost Testing

The Refrigerator and Freezer Recycling Program was screened prior to the Companies’ July 9, 2010 filing to ensure that the Benefit to Cost Ratio is greater than one. At that time the technical manual indicated a 7 year useful life for recycled refrigerators/freezers. Subsequently, DPS issued SAPA Notice No.: 07-M-0548SP30 (“Notice”), requesting comments on proposals of the Staff of the Department of Public Service regarding benefit/cost analysis for Energy Efficiency Portfolio Standard (“EEPS”) programs, including a proposal to adopt the “Consolidated Table of Measure Effective Useful Lives”. The proposed Consolidated Table of Measure Effective Useful Lives shows the effective useful life of a refrigerator or freezer in a bounty/recycling program to be 6 years. The Companies have screened the Program using a 6 year useful life and verified that the Benefit to Cost Ratio remains above 1. Table 2 below provides TRC values for both 7 and 6 year useful lives. The Companies will be responsible for notifying the implementation contractor if and when updated inputs are specified by DPS Staff or the Technical Manual is updated, and working with the implementation contractor to update TRC calculation assumptions. Inputs and protocols will be modified on a prospective basis only.

Table 2. Total Resource Cost

	NYSEG	RG&E
TRC - based on 7 year useful life	1.50	1.51
TRC - based on 6 year useful life	1.02	1.16
TRC - based on 7 year useful life - with carbon externality	1.61	1.61
TRC - based on 6 year useful life - with carbon externality	1.12	1.27

B. Annual Budgets by Spending Category

Annual budgets by spending category are provided on Tables 3a and 3b and are consistent with the budgets in Tables 1a and 1b. Note that the Outreach budget totals differ from the Program Marketing & Trade Ally costs originally proposed by the Companies and specified in the January 2011 Order, as a result of input from the Implementation Contractor which indicated that increased outreach will positively impact participation and savings. The total program budgets remain the same as in the January 2011 Order.

All costs in Tables 3a and 3b will be recovered through the SBC surcharge.

Table 3a. NYSEG Program Budget by Category

NYSEG	Internal Accounting	2010	2011	Total
General Admin & Planning	25405060	\$ 200,000	\$ 200,000	\$ 400,000
Program Marketing	25405061	\$ 83,000	\$ 81,000	\$ 164,000
Direct Program Implementation	25405062	\$ 1,003,000	\$ 905,000	\$ 1,908,000
Trade Ally Training	25405064	\$ 5,000	\$ 5,000	\$ 10,000
Incentives/Services	25405067	\$ 90,000	\$ 90,000	\$ 180,000
Program Evaluation	25405063	\$ 67,421	\$ 67,421	\$ 134,842
Total		\$ 1,448,421	\$ 1,348,421	\$ 2,796,842

Table 3b. RG&E Program Budget by Category

RG&E	Internal Accounting	2010	2011	Total
General Admin & Planning	12405060	\$ 200,000	\$ 200,000	\$ 400,000
Program Marketing	12405061	\$ 83,000	\$ 81,000	\$ 164,000
Direct Program Implementation	12405062	\$ 1,003,000	\$ 905,000	\$ 1,908,000
Trade Ally Training	12405064	\$ 5,000	\$ 5,000	\$ 10,000
Incentives/Services	12405067	\$ 90,000	\$ 90,000	\$ 180,000
Program Evaluation	12405063	\$ 67,421	\$ 67,421	\$ 134,842
Total		\$ 1,448,421	\$ 1,348,421	\$ 2,796,842

General Administration & Planning includes a proportionate share of the cost of Core Services utilized by multiple programs. These costs include, but are not limited to outside energy efficiency consultant costs, legal costs, and other associated costs such as employee training, conferences, memberships, and travel costs.

Program Marketing includes marketing, advertising, and customer recruitment. These activities will be largely the responsibility of the Implementation Contractor, although where appropriate, the Companies may undertake specific program marketing activities.

Direct Program Implementation costs include charges from the Implementation Contractor for: refrigerator/freezer pickup, transportation, and recycling. Direct program implementation costs also include program coordinator costs for monitoring the program to ensure compliance with the Commission order and the Services Agreement, the Implementation Contractor, and includes tracking customer eligibility and participation, monitoring energy savings and associated reporting, quality assurance audit tracking, ensuring program costs remain within budgeted amounts, addressing customer concerns, addressing delays or failures to deliver direct installations, and maintaining program records and producing reports.

Trade Ally Training costs include outreach, education, and training of trade allies involved in the program.

Incentives and Services costs represent the incentives paid to customers to encourage participation in the program. Costs of incentives will be closely tracked through Implementation Contractor invoices and compared to the number of refrigerators/freezers removed. Invoiced amounts along with the number of refrigerators/freezers removed, and all other cost components

will be carefully monitored against allocated budget amounts to ensure overall spending amounts are within established guidelines of the program.

Program Evaluation costs include outside contractor expenses for evaluation planning, process evaluation, impact evaluation, evaluation-related market research, measurement and verification, and evaluation reporting.

IV. Target Customer Market and Energy End Uses

The target customer market for this program is all individually metered residential electric customers of the Companies, including both owners and renters, who have operational second refrigerators/freezers. A limit of two refrigerators/freezers per customer address/account number will apply.

V. Eligible Energy Efficiency Measures and Associated Customer Incentives

Eligible measures include second refrigerators and freezers. In order to qualify for the program, units must be in working order, be clean and empty, and must be sized between 10 and 30 cubic feet. Individual customers are limited to two refrigerators/freezers.

The Companies will offer an incentive to customers to participate in the program. The January 2011 Order approved an incentive level of \$30 per unit.

Customers may not receive incentives from both NYSERDA and the Companies for the same energy efficiency measure (“double-dipping”).

VI. Customer Outreach and Education (O&E)/Marketing

A. O&E/Marketing Strategy and Components

The goals of the O&E/marketing strategy for this program are to (a) encourage a diverse mix of customer participants by type and geographic location, and (b) to encourage a level implementation workload, thereby avoiding both gaps in delivering savings and long waits between expressions of customer interest and availability of resources to conduct fieldwork.

Customer messaging will focus on reduced energy use for second refrigerators/freezers, the benefits of recycling, and the \$30 incentive.

Seasonality is an important program outreach consideration. Customer participation in similar programs tends to be highest during the spring and summer months when home improvement projects and home relocations occur most frequently and lowest during the winter when second unit need is greatest. As a result, less outreach will be performed during the winter months.

Annual reports of each calendar year's O&E/Marketing program achievements as available to date, and updated plans for the upcoming calendar year, will be submitted in November each year with the third quarter status report. They will also be included with the Companies' annual outreach filings.

B. Outreach Budget

The budget for each element of the outreach and education plan is provided on Tables 4a and 4b. Note that Outreach budget totals differ from the Program Marketing & Trade Ally costs specified in the January 2011 Order as a result of input from the Implementation Contractor. The total program budgets remains the same as in the January 2011 Order.

Table 4a. NYSEG O&E/Marketing Budget

NYSEG O&E/Marketing Budget	2011	2012	TOTAL
Web Page	No Cost	No Cost	No Cost
Press Release	No Cost	No Cost	No Cost
Press Kits	\$ 500	\$ 500	\$ 1,000
Bill Insert	\$ 32,500	\$ 32,500	\$ 65,000
Point of Sale Materials	\$ 1,500	\$ 1,500	\$ 3,000
Brochures/Newsletters	\$ 1,000	\$ 1,000	\$ 2,000
PR/Events	\$ 1,500	\$ 1,500	\$ 3,000
Paid Media Advertising	\$ 33,000	\$ 33,000	\$ 66,000
Search Engine Optimization	\$ 1,000	\$ 1,000	\$ 2,000
Direct Mail	\$ 10,000	\$ 10,000	\$ 20,000
Truck Signage	\$ 2,000	\$ -	\$ 2,000
Email Marketing	No Cost	No Cost	No Cost
Social Marketing	No Cost	No Cost	No Cost
TOTAL	\$ 83,000	\$ 81,000	\$ 164,000

Table 4b. RG&E O&E/Marketing Budget

RG&E O&E/Marketing Budget	2011	2012	TOTAL
Web Page	No Cost	No Cost	No Cost
Press Release	No Cost	No Cost	No Cost
Press Kits	\$ 500	\$ 500	\$ 1,000
Bill Insert	\$ 32,500	\$ 32,500	\$ 65,000
Point of Sale Materials	\$ 1,500	\$ 1,500	\$ 3,000
Brochures/Newsletters	\$ 1,000	\$ 1,000	\$ 2,000
PR/Events	\$ 1,500	\$ 1,500	\$ 3,000
Paid Media Advertising	\$ 33,000	\$ 33,000	\$ 66,000
Search Engine Optimization	\$ 1,000	\$ 1,000	\$ 2,000
Direct Mail	\$ 10,000	\$ 10,000	\$ 20,000
Truck Signage	\$ 2,000	\$ -	\$ 2,000
Email Marketing	No Cost	No Cost	No Cost
Social Marketing	No Cost	No Cost	No Cost
TOTAL	\$ 83,000	\$ 81,000	\$ 164,000

C. Vehicles and Target Audiences

The Implementation Contractor will have primary responsibility for customer recruitment. Prospects will be identified through a range of advertising vehicles including Company web pages, press releases, bill inserts, point of sale materials, brochures and newsletters, paid media, search engine optimization, direct mail, email marketing, and social media.

- **Web Page** – the Companies will have a web page dedicated to the Refrigerator and Freezer Recycling Program. A link will be included to take customers to an Implementation Contractor web page where customers can schedule a pickup appointment.
- **Press Release** – a press release will announce the launch of the program throughout the Companies’ territories. Press releases may also be used during the program to coincide with local events and as milestones are achieved.
- **Press Kits** – will provide useful program information to help in the development of media coverage.
- **Bill Inserts** – are the most important outreach element, typically resulting in 40%-50% of customer participation. Four bill inserts are scheduled for 2011 and 4 or 5 will be used in 2012.
- **Point of Sale Materials** – will be provided to refrigerator and freezer retail outlets to provide customers considering purchasing new units with information about removal of secondary units.
- **Brochures/Newsletters** – can be utilized as needed to educate the public and to supplement other outreach methods.

- **PR/Events** – home pickup events in key markets can garner local media coverage, illustrating customer motivation for participation, and showing the removal process.
- **Paid Media Advertising** – primarily in newspapers, will be used to enhance customer awareness and increase participation.
- **Search Engine Optimization** – will be utilized with search sites such as Google to provide program information to customers searching on related keywords and phrases.
- **Direct Mail** – will be targeted at geographic areas and customers with a high propensity for participation. One effective direct mail approach is to use a flyer that includes a refrigerator magnet with program information.
- **Truck Signage** – on pickup vehicles will include web page and phone number references, enhancing visibility and awareness.
- **Email Marketing** – will be directed to electronically billed customers since they will not receive bill inserts.
- **Social Marketing** – techniques, while relatively new, may be used increase program reach. One example to post a video of the refrigerator/freezer removal process on YouTube.

The target audience for these communications will be all residential electric customers. Based on implementation contractor experience, residential customers who most often have second refrigerators/freezers tend to be: home owners aged 35-60, middle income, living in detached or single family dwellings, with 2+ persons in the household.

D. Timeline

Table 5 summarizes the O&E/Marketing timeline.

Company employees including the individuals staffing the energy efficiency hotline will be trained during the startup period to answer customer questions about the program.

A news release will announce the formal start of the program. Information will appear on the Companies' Web sites at that time and employees will be prepared to answer questions about the program as of that date as well. The Companies anticipate launching the program approximately May 1, 2011.

All savings for 2012 must be committed no later than December 15, 2012 to ensure that the 2012 achieved savings goals are met. This means that no additional customers will be allowed to sign up for the program after December 15, 2012.

Table 5. O&E/Marketing Timeline

Method	2011			2012			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Web Page	X	X	X	X	X	X	X
Press Release	X		X		X		
Press Kits	X		X		X		
Bill Insert	X	X	X	X	X	X	X
Point of Sale Materials	X	X	X	X	X	X	X
Brochures/Newsletters	X			X			
PR/Events	X	X			X	X	
Paid Media Advertising	X	X	X	X	X	X	X
Search Engine Optimization	X			X			
Direct Mail		X			X	X	
Truck Signage	X						
Email Marketing	X	X	X	X	X	X	X
Social Marketing		X		X		X	

E. Relationship to Companies' General O&E/Marketing Plans

Refrigerator and Freezer Recycling Program O&E/Marketing will be conducted independently of the NYSEG and RG&E general O&E/marketing activities, except to the extent that information will be provided about the program on rge.com and nyseg.com, or where other synergies for marketing may become apparent. On the Web sites' energy use section, residential customers have been provided with tips regarding wise energy use. Customers are reminded that a few simple touch-ups can make their home more efficient and thereby reduce energy bills. A room-by-room list of tips for making a home more energy efficient is available. In addition, a downloadable home energy use reference guide is available that shows how much energy appliances require.

F. Efforts to Minimize Overlap and/or Customer Confusion

Customers who contact the NYSEG and RG&E energy efficiency hotline will be informed about the available programs to meet their needs. The Companies will do their best to address any questions they may have about those programs, resolve any sources of confusion, and refer the customers appropriately to other sources of information, including the Implementation Contractor, NYSERDA, and other utilities. (For example, customers who purchase electricity or gas from NYSEG or RG&E, and who purchase gas or electricity from another utility, will be directed to that utility for information about additional programs.) The Companies are working collaboratively with NYSERDA and the other utilities to make this information available to their respective call centers and hotlines.

The Companies continue to support collaborative efforts to minimize double-counting of program funding or energy savings. To be consistent with requirements of the January 2011 Order while still providing sufficient clarity to program participants, the

Companies support inclusion of the following common element in the individual enrollment forms developed by each program administrator:

Customers are not eligible to receive financial incentives/rebates for the same eligible measure from NYSERDA and an electric or natural gas utility.

VII. Descriptions of Roles and Responsibilities of Program Administrator and Program Contractors

The Companies will be responsible for: working with the Implementation Contractor in developing a Procedures Manual, identifying data management and test requirements, providing oversight and guidance to the Implementation Contractor; setting branding and Company identification requirements, approving all forms and materials, monitoring program performance; identifying performance issues and opportunities and addressing those matters, producing internal and Commission reports, responding to interrogatories, addressing escalated customer issues, and working with the Implementation Contractor to resolve implementation matters.

Quality Assurance will be the joint responsibility of the Implementation Contractor and the Companies. The Companies will be responsible for program evaluation.

The Implementation Contractor will be responsible for:

Customer Service

- Conduct employee and/or subcontractor training and ensure acceptable employee and/or subcontractor performance.
- Establish a toll-free telephone number for customer enrollment, appointment, scheduling, and questions.
- Provide trained customer service staff for assisting customers with questions about the program, qualifying customers, and facilitating participation.
- Provide a web link through the Companies' websites for customer enrollment and scheduling.
- Ensure that customer eligibility criteria are met.
- Obtain customer authorizations.
- Schedule in-home Refrigerator/Freezer removal appointments.
- Provide customers with information about preparing their Refrigerator/Freezer for removal.
- Provide customers with a day-ahead confirmation call.
- Effectively and promptly address customer complaints.
- Process applications and issue rebates. Issue rebate payments within four weeks after all customer requirements have been met.

Marketing and Customer Recruitment

- Primary responsibility for marketing, advertising, customer recruitment and trade ally relations.

Refrigerator/Freezer Removal and Transportation

- Ensure that drivers and collection staff are trained and receive thorough background checks.
- Provide the appropriate collection vehicles, tools, and equipment necessary for safe and efficient removal.
- Provide written confirmation of Refrigerator/Freezer collection.
- Deface/disable the Refrigerator/Freezer before transporting to ensure that it does not enter the secondary market.
- Transport units to a licensed processing and recycling facility.

Recycling

- Ensure that operations of the recycling facility comply with all local, state, and federal hazardous waste and recycling laws and regulations.
- Recover, reclaim, and/or destroy all chlorofluorocarbon (CFC), hydro chlorofluorocarbon (HFC-134a), and non-CFC refrigerants in compliance with all applicable hazardous-waste regulations.
- Recover and destroy all CFC-11 and HCFC 141b blowing agents in the polyurethane foam insulation of the Refrigerator/Freezers in a manner that complies with all applicable hazardous-waste regulations.
- Recycling all glass, metals, plastics and foam (free of blowing agents).

Program Reporting and Quality Assurance

- Maintain a database to track interactions with customers, detailed information about Refrigerators/Freezers removed, rebates issued, applications processed, and detailed tracking of all materials recovered from the recycling process.
- Produce data extracts and reports regularly and upon request; and produce PSC scorecard report tables and contribute in other ways to PSC reports as requested.
- Ensure quality control/quality assurance, and comply with all Refrigerator and Freezer Recycling Program quality assurance and evaluation requirements.
- Cooperate with the Companies to respond to Commission discovery requests and produce PSC reports.

VIII. Procedures for Customer Enrollment

In order to facilitate the recruitment, enrollment and data collection/reporting processes, the Companies will provide the Implementation Contractor with a list of all residential electric customers including the following data fields: customer ID, premise ID, name, address, email address, and phone number. This will be used to help identify potential program participants, help qualify participants as residential customers of NYSEG/RG&E, and to enable record keeping for individual participating customers. The importance of security for this customer data is heavily stressed in the Implementation Contractor service agreement in section 7, including: 7.1 Protection of Customer Information; 7.2 Protection of End-Use Customer Information; 7.3 Unauthorized Disclosure of End-Use Customer Information; 7.4 Remedies; and 7.5 Required Disclosure.

To initiate customer awareness of the program a press release will be issued at the launch of the program. Program information will also be posted on the Companies' energy efficiency pages of their websites. Both mechanisms will direct customers to call the Companies' Energy Efficiency Hotline for more information regarding the program.

Direct Marketing and outreach will be undertaken by the Implementation Contractor. A range of methods will be used to inform customers about the program and encourage participation in the program.

Customer enrollment can be initiated through the Companies' websites, and by calling the NYSEG/RG&E Energy Efficiency Rebate Hotline (800.995.9525). Program participants will also be provided a toll-free number to contact the Implementation Contractor directly.

The Implementation Contractor will use their best efforts to obtain written permission from the customers of record for the use of their consumption history for evaluation purposes.

IX. Contact Information for Customer Inquiries and Complaints

Customers with general inquiries relating to the Refrigerator and Freezer Recycling Program will be directed to the Companies' Energy Efficiency program hotline number: 800.995.9525. Program participants will be provided a toll-free number to contact the Implementation Contractor directly.

Customer complaints will be handled as they occur in the most efficient manner for resolution. Program participant complaints will be handled by the Implementation Contractor with adherence to the Companies' customer service procedures. Non-participant customer complaints will be handled through the Companies' Energy Efficiency program hotline. Escalated complaints will be handled by the Companies' Refrigerator and Freezer Recycling Program Implementation Coordinator, and if appropriate, EEPS program management.

X. Training for Appropriate Trade Allies

The subcontractors and suppliers that the Implementation Contractor uses to provide program services are specifically chosen based on their experience and track record. This means that little or no training is required in the application of the products – each firm is already knowledgeable in its field.

Trade ally relations, including training, will be the responsibility of the Implementation Contractor. Training will occur prior to execution of purchase orders and delivery of services to ensure that suppliers and subcontractors are fully aware of Implementation Contractor business practices, especially as they relate to all interactions with customers of NYSEG/RG&E. Among the items addressed include:

- The paramount importance of safety – both as it relates to workers and to interactions with customers. Applicable work safe practices are discussed prior to engaging each subcontractor, and reinforced by the Implementation Contractor project manager(s) on site during installations;
- The critical need to represent NYSEG/RG&E and the Implementation Contractor in a professional manner at all times. This extends to the dress and behavior of staff while on site; the need to insure that advance notice is offered and confirmed with appropriate site personnel prior to starting any work; and the need to restore work sites to original condition upon completion of assigned tasks;
- The essential requirement to provide products and services in strict accordance with authorized procedures and processes. This includes the need to accurately track and report all removed refrigerators/freezers; and the need to properly transport and recycle refrigerators/freezers in accordance with program requirements; and,
- The opportunity to help address customer concerns during removals will be addressed by insuring that all subcontractor site personnel are instructed on proper procedures for referring customer inquiries to the appropriate Implementation Contractor staff.

XI. Contractor Training and Program Orientation Plan

The Implementation Contractor will be accountable for training its personnel, subcontractors and vendors about program objectives and operations so they can effectively provide services to the program. The Companies will review and approve these training materials. The Implementation Contractor initially became familiar with the program through the Companies' procurement process and later through working with the Companies to develop procedures, data elements for software, required forms and manuals. Any personnel hired for this program will receive detailed on-the-job training from experienced Implementation Contractor personnel based on the procedures and tools which have been developed with the Companies for this program. Implementation Contractor subcontractors will work under the direct supervision of Implementation Contractor personnel. A key component of this training will be the program procedures manual, being developed jointly by Company and Implementation Contractor personnel, which will serve as a consistent operations and training tool.

The Implementation Contractor process for training in-house employees includes all aspects listed above for subcontractor training: safety, professionalism, program procedures, and complementary programs. Additionally, the Implementation Contractor will also use the comprehensive Program Manual that fully documents every process, form, and procedure that will be deployed in every aspect of the program. This single dynamic reference will be the basis for extensive training of all Implementation Contractor staff to be involved in the delivery of program services (management, field, recycling, and support). It represents a useful and valuable tool for insuring program consistency at all levels.

XII. Quality Assurance Plan

The Companies will utilize the program's implementation coordinator to perform quality assurance (QA) review of work performed by the Companies' Implementation Contractor. QA activities will include quarterly file reviews at the Implementation Contractor's office, to inspect all documentation of a statistically significant number of refrigerators/freezers removed during the quarter. There will also be quarterly site inspections of the recycling facilities to verify that removed units have all been sent to the facilities that the units are being recycled in an environmentally sound manner, and that related documentation is complete.

In addition to the field office and recycling center reviews, the implementation coordinator will on a quarterly basis observe randomly selected refrigerator/freezer removals to ensure proper documentation and other sound practices at the customer level. A standard checklist will be used to document the observed removals.

Should any field office, recycling facility or removal observation indicate deficiencies either with data or practices, the Implementation Contractor will be required to remedy any and all deficiencies. The Companies' contract with the Implementation Contractor contains language which governs quality assurance and mitigation actions required to cure any flaws in the Implementation Contractor's work.

In addition to the Companies' QA activities, the Implementation Contractor will be responsible for ensuring their own quality control measures. The Implementation Contractor will provide onsite supervision for and oversight of all activities of its vendors and subcontractors.

The Implementation Contractor will also conduct post-removal customer satisfaction surveys.

XIII. Coordination with Other New York Energy Efficiency Programs and Program Administrators

The Companies are coordinating with other utilities and NYSERDA to develop and implement procedures for safeguards designed to prevent more than one incentive payment across administrators for an individual energy efficiency measure, as well as avoiding counting energy savings for the same measure in more than one program.

XIV. Refrigerator and Freezer Recycling Efficiency Program Evaluation Plan

A. Evaluation Management, Procurement and Reporting

The evaluation plans presented by the Companies have been written to conform to the requirements of the June 23, 2008 Order in Case 07-M-0548 "Order Establishing Energy Efficiency Portfolio Standard and Approving Programs."

These plans also follow guidelines issued by Staff on August 7, 2008 in “Evaluation Plan Guidance for EEPS (Energy Efficiency Portfolio Standard) Program Administrators” and incorporate critical elements highlighted in the “New York Evaluation Plan Review Scoring Criteria,” also issued by Staff. The evaluation plans address the comments of, and follow guidance from, Staff and the EEPS Evaluation Advisory Group.

The Companies anticipate that their efforts in the evaluation of energy efficiency programs will continue to be informed on an on-going basis by Staff and the Evaluation Advisory Group and by collaboration with other NY utilities implementing similar programs.

Principles underlying the Companies’ evaluation plan include:

- Document the energy savings for gas programs and the energy and demand savings for electric programs,
- Maintain the independence of evaluation from the program implementation function,
- Consider program evaluation early in the program design process to identify evaluation data collection requirements, priorities and budgets,
- Provide enhanced evaluation for programs or measures with the greatest savings, largest performance uncertainties or significant impacts on program cost,
- Use industry standard approaches and protocols, such as the International Performance Measurement and Verification Protocols (IPMVP), for transparency and reproducibility, and
- Provide ongoing, systematic feedback on program performance.

1. Management

The Companies understand the importance of and are committed to independent and transparent program evaluations. Independence is achieved through our internal structure and the use of external contractors to conduct evaluations.

To achieve independence internally the Companies have assigned responsibility for evaluation of all programs to an internal Evaluation Manager. The Evaluation Manager is responsible for overseeing all evaluation activities and coordinating between external program evaluators and program implementers. The Evaluation Manager also serves as the Companies’ representative on the Evaluation Advisory Group. The Evaluation Manager reports to the Companies’ manager of Energy Efficiency.

In order to insure transparency of the evaluation process, Staff will be kept up to date on evaluation activities each month through the Companies’ monthly scorecard reports.

2. Procurement

Both detailed evaluation planning and in-field EM&V activities will be performed by independent evaluation contractors retained through competitive request for proposal (“RFP”) processes. Management and oversight of these independent evaluation contractors is the direct responsibility of the Evaluation Manager. Further review and oversight of the Companies’ evaluation plans and reports is provided by the Evaluation Advisory Group and Staff.

The Companies will be conducting an RFP process to select an independent evaluation contractor to write a detailed evaluation plan for the Refrigerator and Freezer Recycling Program and, based on that detailed plan, to conduct the evaluation. Staff has reviewed the technical scope of the Companies’ standard evaluation RFPs and their comments have been incorporated into the documents. To the extent that it makes sense and the timing is appropriate, the Refrigerator and Freezer Recycling evaluation RFP may be issued jointly with evaluation RFPs for other company programs.

The Companies and the independent evaluation contractor will work closely with Staff in developing the evaluation plan, giving Staff the option of reviewing the draft plan and associated customer surveys, statistical approaches and modeling techniques. The Companies anticipate review of the final evaluation plan by the Evaluation Advisory Group, and will provide regular updates on the progress of the evaluation at Evaluation Advisory Group meetings and through the monthly scorecard report. It is anticipated that Staff will be part of the kick-off meeting with the selected contractor.

3. Reporting

Data collection, tracking and reporting will be as required in the guidance from PSC Staff and in the Refrigerator and Freezer Recycling Order. Data will be submitted using standard naming conventions and protocols, as determined by PSC Staff and the Evaluation Advisory Group. A monthly scorecard report will be submitted within 14 days of the end of the month reporting on the month’s activities. Quarterly reports will be filed within 45 days of the end of the quarter and annual reports within 60 days of the end of the year.

B. Roles and Responsibilities

As Program Administrators, NYSEG and RG&E will be responsible for hiring independent evaluation contractors to conduct program evaluations, providing access to program records and databases, providing access to company and implementation contractor staff, and providing consumption histories of participants and non-participants as necessary and in conformance with Staff guidelines on data confidentiality.

The evaluation contractor will follow all guidelines set by the Staff and the Evaluation Advisory Group, and based on those guidelines, design and conduct an evaluation of the Refrigerator and Freezer Recycling Program that provides statistically valid results that meet the Commission’s requirements. The evaluation consultant will identify all data collection needs and assist the Companies in ensuring that the appropriate data is collected. The evaluation plan will allow for flexibility in the event that additional analysis needs to be completed in the future.

C. Program Summary – Description and Theory

The Companies' Refrigerator and Freezer Recycling Program is described in the January 2011 Order. The program savings targets and allowed budgets are as specified on Table 1 of the Appendix in the Order.

The purpose of the NYSEG and RG&E Refrigerator and Freezer Recycling Program is to remove customers' working second refrigerators and freezers. The program will include pick-up, environmentally sound disposal/recycling of these units, and an incentive to induce customers to participate in the program.

The Companies have selected an Implementation Contractor for the program that will be responsible for marketing and customer recruitment, determining customer eligibility, scheduling, removal and transportation, recycling, reporting, and quality assurance. The program will be jointly managed and implemented for the two utilities.

Customers must be residential electric customers of NYSEG or RG&E, or landlords of residential dwellings served by NYSEG or RG&E.

The Companies will maintain a customer-facing, interactive Web site with specific program information and downloadable application forms, and a dedicated energy efficiency hotline for customer use. However, primary responsibility for identifying and recruiting program participants will be the responsibility of the implementation contractor.

D. Budget and Overview of Refrigerator and Freezer Recycling Program Evaluation

The evaluation plan will include evaluation activities to address key process and impact evaluation issues. The evaluation budget, 5% of the total electric Refrigerator and Freezer Recycling program budget, is limited and will require careful planning for completing an evaluation of a program of this type.

The approved evaluation budget in the Refrigerator and Freezer Recycling Order is \$67,421 at NYSEG in each year and \$67,421 at RG&E in each year, for a total budget of \$269,684 for the two year period. However, the Companies need to withhold a portion of the evaluation budget of this program for participation in statewide evaluation activities.

The detailed evaluation plan will be designed to incorporate steps to mitigate threats to data reliability. It will be based on prioritizing the evaluation needs for this program within the context of a limited evaluation budget. It will balance the need for both process and impact evaluation activities to improve program delivery and maximize savings.

The evaluation contractor will be expected to develop a detailed evaluation plan and schedule for this program acceptable to the Companies and the Commission; conduct employee and/or subcontractor training and ensure acceptable employee and/or subcontractor performance; after approval of the evaluation plan by the Companies and the Commission, conduct the evaluation as per the approved plan; identify and recruit survey participants for process and impact interviews; conduct database review, engineering calculations and / or site

visits to verify program impacts; identify areas for program improvement; highlight program successes that could be used for other programs; validate deemed savings estimates in New York's EEPS technical manual for refrigerators against program results; produce periodic status reports and participate in periodic evaluation team conference calls; provide semi-annual memos with interim evaluation findings for early follow-up by the Companies; and produce an annual evaluation report suitable for filing with the Commission.

1. Net to Gross Analysis

The Companies will use a 10% net free ridership adjustment, as required in the Technical Manual. Results of the Impact Evaluation will be used to verify the accuracy of the net 10% free ridership adjustment for reporting purposes on a prospective basis.

2. Sampling Strategies, Design & Data Reliability Standards

Consistent with the Evaluation Plan Guidelines for EEPS Program Administrators, RG&E's and NYSEG's goal for estimating gross savings at the program level is at the 90 percent confidence interval, within +/- 10 percent precision. The Companies' independent evaluation contractor will develop sampling protocols for all of its evaluations based on this standard.

3. Steps to Identify and Mitigate Threats to Data Reliability

The evaluation plan prepared by the evaluation contractor will be consistent with the Evaluation Advisory Group guidelines, the requirement to maintain a 90% confidence interval within +/- 10 % precision and the overall need to identify and mitigate threats to reliability of the results. The evaluation contractor will be required to insure data reliability to the greatest practical extent, including methods for minimizing systematic and random error and techniques for reducing uncertainty introduced by necessary assumptions and adjustments to the data.

4. Data Collection and Management Process

The Implementation Contractor will collect and maintain data provided from customer application forms and surveys of participants. Additionally, the Implementation Contractor will capture and track details regarding all removed refrigerators/freezers and will calculate the energy savings acquired. This program data is consistent with reporting requirements and evaluation needs and will be provided to NYSEG and RG&E to support program evaluation. Data captured by the Implementation Contractor includes such fields as the customer name, account, premise level and other non-program specific data. Measure specific data as appropriate for each program will also be captured.

5. Schedule and Deliverable Dates

Specific dates for commencing evaluation studies will depend on actual program launch date. However, a process assessment is scheduled to be completed in calendar year 2011 and an impact evaluation is scheduled for calendar year 2012.

E. Process Evaluation

In 2011, evaluation efforts will focus on identifying how the program is operating during the start-up phase, with the objective of identifying improvements that can be made to program implementation efforts.

A process evaluation will be required for this program to assess the effectiveness of the delivery mechanism and any barriers to participation. The process evaluation will compare the operation of the program with the approved program plan and identify differences and the reasons for those differences. The process evaluation will also identify lessons learned and any specific actionable recommendations for improvement and address:

- Level of customer satisfaction.
- Effectiveness of the program delivery mechanism from the position of the program delivery contractors, program customers and other key stakeholders. Did the delivery mechanism differ from the program plan? If yes, how and why?
- Effectiveness of program promotion.
- Remaining barriers to program participation including an assessment of why some customers choose to not participate in the program.
- A review of program tracking databases to ensure that data that will likely be required to support future program evaluation efforts is being collected. The Process Evaluation must address quality assurance by verifying data in the Companies program tracking database through data checks.

As part of the process evaluation plan, the evaluation contractor will survey implementation staff and participating customers. Sampling plans will be provided to Staff.

The evaluation contractor will also include evaluation elements that meet the above requirements and provide specific cost-effective recommendations for improving the program within the program budget.

The desired result of this Process Evaluation is to identify and implement actionable improvement procedures for cost-effectively administering the Refrigerator and Freezer Recycling Electric Energy Efficiency Program in a manner that produces significant and cost-effective savings for RG&E's and NYSEG's customers.

F. Impact Evaluation

The Impact Evaluation will quantify the savings attributable to program efforts based on analysis of removed refrigerators/freezers. The Companies anticipate beginning an impact evaluation of the Refrigerator and Freezer Recycling Program in 2012 using industry-accepted methods of analysis.

The evaluation contractor will design and conduct a detailed Impact Evaluation for this program. Verification of base case equipment efficiencies (through engineering review or other means) will be required. Impact Evaluation will include verifying removed refrigerators/freezers. Energy savings will be documented through the most effective method for the program, which may include billing analysis, engineering review, review of metering records, review of participant records or other means.

Impact evaluation design will include a thorough discussion of Net-to-Gross analysis and effects such as free ridership, spillover, persistence and snapback used to calculate net impacts. Results of the Impact Evaluation will be used to refine expectations about future program savings, to assess cost-effectiveness prospectively, and may be used to update deemed savings in the Technical Manuals and to modify future programs.

SERVICES AGREEMENT

This Services Agreement is made this __ day of March 2011 by and between **Iberdrola USA Management Corporation**, a Delaware Corporation, with offices located at 89 East Avenue, Rochester, New York 14649 (hereinafter, "Customer") and [REDACTED] (hereinafter, "Supplier"). The Customer and Supplier may be referred to individually as a "Party" and collectively as the "Parties"

WITNESSETH:

WHEREAS, the Customer is authorized to assist the utility operating Customer subsidiaries of IUMC identified in Schedule A, attached hereto and made part hereof, in procuring certain services that they may require from time to time in the operations of their respective businesses; and

WHEREAS, the Supplier states that it is an established and well-known provider of the Services possessing the skills, qualifications, and experience necessary to perform and manage such Services in an efficient, cost-effective, and controlled manner, with a high degree of quality and responsiveness, and that it has successfully performed similar services for other customers and is willing to provide the Services to the utility operating Customer subsidiaries of IUMC Corporation in accordance with the terms and conditions of this Agreement; and

WHEREAS, in reliance upon such statements and following its review of Supplier's proposal and negotiation of business terms, the Customer has selected the Supplier as a vendor-of-choice for the Services, which shall be procured and awarded in accordance with this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the Supplier and the Customer hereby agree as follows:

1. DEFINITIONS

As used in this Agreement:

- (a) "Affiliate" shall mean, with respect to a Party, any other entity Controlling, Controlled by, or under common Control with such Party. The term "Control" and its derivatives shall mean with regard to any entity, the legal, beneficial, or equitable ownership, directly or indirectly, of fifty percent (50%) or more of the capital stock (or other ownership interest, if not a corporation) of such entity ordinarily having voting rights.
- (b) "Agreement" shall mean this Services Agreement. Supplier shall indicate its acceptance by having this Agreement signed by an authorized representative of the Supplier and returning it to the Company. No work is to be performed without

a fully-executed Agreement. No changes in the Agreement will be made without an amendment to the Agreement. Unless otherwise agreed, all amendments shall be governed by the conditions of this Agreement

- (c) “Customer Affiliates” shall mean the Affiliates of Iberdrola USA Management Corporation specified in Schedule A, attached hereto and made part hereof.
- (d) The “Effective Date” shall mean the date on which this services agreement was fully executed.
- (e) “End-Use Customers” shall mean the people and businesses that purchase electric and/or gas delivery services from the Customer Affiliates.
- (f) “Purchase Order” shall mean a purchase order issued by the Customer Affiliate(s) for Services purchased in accordance with this Agreement.
- (g) “Services” shall mean the services related to implementation of and compliance with requirements associated with Energy Efficiency Portfolio Standards energy efficiency programs (“EEPS Programs”) in New York State. The Services are more particularly described in the Statement of Work (Schedule B, attached hereto and made part hereof). This Agreement is not exclusive, and nothing herein shall be deemed to prevent the Company from engaging other parties to perform such Services, or from performing such Services using its own employees.
- (h) “Terms and Conditions” shall mean the contractual terms and conditions governing the performance of the Services and related matters as set forth in this Agreement.

2. SERVICES

2.1. Scope

The Supplier agrees to perform for the Customer and its Affiliates Services as specified in the Statement of Work (Schedule B).

The Supplier agrees to provide all supervision, training, labor, material, equipment (including tools and vehicles), warehousing, and related services in order to provide the Services. Supplier, through its experience and the normal course of business, has included full provision for local wage rates, travel and subsistence rates, allowances and conditions, if any, as well as allowances for any other measures necessary to complete the work in a satisfactory manner in accordance with the Agreement.

The Supplier has read, understands and shall comply with all Special Conditions included in Schedule E, attached hereto and made a part hereof.

2.2. Periodic Reporting

Upon the request of the Customer the Supplier shall promptly submit a report detailing the status of the Services including the progress toward achieving completion of any deliverables or performance milestones.

2.3. Schedule Commitment

The Supplier agrees to perform the Services in accordance with the Plan and Schedule of Work (Schedule H, attached hereto and made part hereof) approved by the Customer. The parties agree that TIME IS OF THE ESSENCE hereof.

2.4. Notice of Delay

If the Supplier is delayed at any time in the progress of the work, written notice thereof, including an explanation of the cause and the anticipated duration of the delay, shall be given promptly to the Customer by the Supplier, but in no event later than five (5) days after such delay becomes apparent. Failure to give such notice promptly and within such time limit shall be deemed sufficient reason for denial by Customer of an extension of time for performance.

If the Supplier is delayed by any act or neglect of the Customer, its employees, or a separate Supplier employed by the Customer, or by changes ordered in the work, or by labor disputes, fire, unusual delays in transportation, or any causes beyond the Supplier's control, or by delay authorized by the Customer, then the time by which work is to be completed shall be extended for such reasonable time agreed to by the Customer and Supplier.

Failure of Supplier's subcontractor or materials and equipment Supplier (unless Customer fails to provide materials or equipment it is required to provide) to meet work schedules shall not be cause for an extension of time. Supplier acknowledges that it has sole responsibility for expediting the efforts of subcontractors, Suppliers, and others, including Customer, whose timely performance is essential to Supplier's compliance with work schedules.

2.5. CHANGES

At any time, in accordance with procedure agreed upon by the parties, Customer may request changes in writing, for additions or deletions to the Services in this Agreement. In the event of any such change, Supplier shall promptly prepare and submit to Customer a statement of the increase or decrease in cost, if any, to the Services and shall also inform Customer as to whether such change may result in an alteration of the schedule to complete the Services. An amendment to the Agreement describing the change, the effect, if any, on the schedule and cost of

the Services shall be promptly agreed to and signed by Customer and Supplier, and no change shall be binding in the absence of a fully-executed amendment.

2.6. Compliance with Laws and Policies

Supplier will comply with all applicable laws, ordinances, rules, regulations, codes, and orders of any public body having jurisdiction. In addition, Supplier shall comply with all applicable Customer policies to the extent the Supplier is performing Services at the Customer's premises or the premises of the End-Use Customers, or is otherwise representing the Customer in interactions with any third parties.

2.7. Ownership of Plans

All drawings, plans, specifications, reports, designs, design data, technical and scientific data, findings, recommendations and memoranda of every description whether furnished to or prepared by Supplier under this Agreement shall be delivered to Customer upon completion of the Services, shall be deemed to have been prepared by Supplier for Customer on a work-made-for-hire basis and shall be the property of Customer and may be used by Customer for any purpose whatsoever without any claim on the part of Supplier for additional compensation. To the extent any of the foregoing are not deemed a work for hire by operation of law, Supplier hereby irrevocably assigns, transfers, and conveys to the Customer without further consideration all of its right, title, and interest in such drawings, plans, specifications, reports, designs, design data, technical and scientific data, findings, recommendations and memoranda of every description, including all rights of patent, copyright, trade secret or other proprietary rights in such materials.

Except as specifically authorized by this Agreement, or as otherwise authorized in writing by Customer, information and other data developed or acquired by or furnished the Supplier in the performance of this Agreement shall be used only in connection with the work under this Agreement.

2.8. Audits

Customer at reasonable times shall have access to the Supplier's work and records pertinent to all charges for inspection, audit and review. Supplier shall permit such examination and make appropriate adjustments as may be required by the results of the audit. This provision shall remain in effect for two (2) years following final payment for work under this Agreement.

3. SUBCONTRACTS

3.1. Responsibilities and Liabilities

If Supplier shall cause any part of the work to be performed by a subcontractor, the provisions of this Agreement shall apply to such subcontractor and its officers, agents or employees in all aspects as if they were employees of supplier, and supplier shall not thereby be discharged from any of its obligations and liability hereunder, but shall be liable hereunder for all acts and omissions of the sub-suppliers. Nothing shall create any contractual relationship between Customer and any subcontractor or any sub-subcontractor.

3.2. Approvals

Subcontractors (Schedule G, attached hereto and made a part hereof) includes a list of those work items which Supplier plans to subcontract and the names of Supplier's subcontractors proposed for the work. Supplier's subcontractors may not be changed except at the request or with the written approval of the Customer. The Customer shall promptly notify the Supplier in writing if, after due investigation, Customer has reasonable objection to any subcontractor and does not accept it. Supplier will apply the same background checks to subcontractors as it applies to the Customer's background check policies.

3.3. Utilization of Small Business Concerns

In accordance with section 19.702(a) (1) and (2) of the Federal Acquisition Regulation, each Supplier (except small business concerns) whose contract is expected to exceed \$550,000 (\$1,000,000 for construction) and has subcontracting possibilities is required to submit an acceptable subcontracting plan to the Customer. The subcontracting plan shall include spending goals with businesses that are small, women-owned, veteran-owned, service-disabled veteran-owned, HUBZone, small disadvantaged (SDB), and minority-owned. If the Supplier fails to submit a plan within the time limit prescribed by the Customer, the Supplier may be ineligible for award.

The Supplier assures that the clause entitled "Utilization of Small Business Concerns" will be included in all subcontracts, that offer further subcontracting opportunities, and all subcontractors (except small business concerns) who receive subcontracts in excess of \$550,000 (\$1,000,000 for construction) will be required to adopt a plan similar to this plan.

4. PERSONNEL

4.1. Key Personnel

Personnel assigned to perform work hereunder who are designated as "Key" Personnel in Schedule F, attached hereto and made a part hereof, shall devote their working time to the work as required by the Scope of Work and Plan and Schedule of Work and shall not be removed, without the prior written consent of

Customer, until their assignments are completed. The Customer shall have the right to reject replacements for personnel.

4.2. Work Stoppage

Supplier's personnel shall not honor any union picket lines or strikes nor take part in any work slow down or stoppage nor refuse to report for work, unless such action is protected by any state or federal labor relations law. Notwithstanding the preceding sentence, it shall be the obligation of the Supplier to supply a qualified work force. Customer may terminate this Agreement if Supplier fails to provide a qualified work force within 24 hours of Customer's notification to Supplier that a qualified work force has not been supplied.

Equal Employment Opportunity Compliance

To the extent, if any, that the provisions of the following executive order and statutes, as amended or supplemented, along with their implementing regulations, apply to the performance of the Services by Supplier, the Supplier will comply with the applicable executive order, statutes and regulations : Section 202 of Executive Order 11246 (41 CFR § § 60, et seq.); Section 402 of the Vietnam Era Veterans Readjustment Act (41 CFR § § 60-250.1, et seq.); Section 503 of the Rehabilitation Act of 1973 (41 CFR § § 741.1, et seq.); and New York Executive Law §§ (5 NYCRR § § 140.1, et seq.). These regulations may require the Supplier to develop an Affirmative Action Compliance Program and file a standard Form 100 Report (EEO-1), or other reports, as prescribed.

4.3. Removal of Supplier's Employees

The Supplier agrees to use only experienced, responsible, and qualified personnel to perform the Services and further agrees to follow Customer policies and procedures during the course of the same. The Customer may require that the Supplier remove from the project persons who do not satisfy the aforementioned requirements or endanger persons or property, or whose continued work is inconsistent with the successful completion of the Services.

5. WARRANTY AND LIABILITY

5.1. General Responsibility and Warranty

Supplier shall perform the Services using its best efforts and skills. The Services shall be of high quality; performed in accordance with sound, generally accepted professional practices and by fully experienced, equipped, organized, and properly qualified individuals. Supplier shall be solely responsible for all means, methods, techniques, sequences, and for coordinating all portions of the Services. Customer will rely upon the accuracy, competence, and completeness of the Work. Supplier assumes professional and technical responsibility for the performance of its Services in connection with work assignments under this

Agreement in accordance with the terms of this Agreement and the best professional standards and practices. If, during the performance of Services or within three (3) years following completion thereof, such Services fail to meet the aforesaid standards, the Supplier shall promptly furnish all remedial services and products necessary to correct such deficiencies at the Supplier's cost and expense, and Supplier shall further be responsible for reimbursement of the Customer's costs or losses related to such deficiencies during the referenced three year period.

5.2. Limitation of Liability

TO THE FULLEST EXTENT PERMITTED BY LAW, CUSTOMER SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES RESULTING IN ANY WAY FROM THE PERFORMANCE OF THE WORK HEREUNDER.

5.3. Indemnification

The Supplier shall indemnify, hold harmless and defend the Customer and its Affiliates, its Affiliates and each of their, officers, directors, employees and agents (the Indemnified Parties), harmless from and against any and all claims, damages, liabilities, costs, and expenses (including, reasonable legal fees, whether incurred as a result of a third party claim or a claim by the Indemnitee to enforce this provision) (collectively, "Losses") which the Indemnitee may incur or suffer or for which the Indemnitee may be held liable by reason of bodily injury, including death to any person or persons (including Supplier's employees) or by reason of damage to or destruction of any property, including loss of use thereof, arising out of or in any manner connected with the Services or the Equipment to be supplied by Supplier or its agents. This indemnification expressly includes, but is not limited to, claims by End-Use Customers related to the Services provided by Supplier.

The Supplier shall be responsible for the proper execution and completion of the Services and shall take all necessary precautions for prevention of injury to persons or damage or loss to property in connection with the Services.

The Supplier shall be responsible for all royalties, fees and claims for any patented, trademarked, copyrighted, trade secret or other device, process or procedures incorporating intellectual property rights of any party that is used, installed or provided by Supplier. Supplier shall indemnify, hold harmless and defend the Indemnified Parties against any claim or suit that may be made or brought against the Indemnified Parties arising from or relating to liability for infringement of any patent, trademark, copyright, trade secret or other intellectual property right pertaining to any equipment, device, process or procedure used or provided under the Agreement. The Supplier shall in its specifications require that all vendors and subcontractors providing materials, equipment or services for the work provide indemnification of the Indemnified Parties against any patent,

trademark, copyright, trade secret or other intellectual property right on any article, process, method or application used by them in the design, fabrication and delivery of the work to be furnished under their contracts.

If the Customer is enjoined from the use of Services on the basis of infringement, the Supplier shall, at its expense, and at the option of the Customer, either (a) procure for the Customer the right of continued use, (b) replace or modify the same to make them non-infringing, or (c) remove the same at no cost to the Company, and refund the purchase price and all associated costs.

It is the intention of the parties to the Agreement that these indemnity provisions apply to and include, without limitation, claims, damages, causes of action and/or liability asserted against the Indemnified Parties or on behalf of agents, employees, subcontractor or other persons acting on behalf of Supplier, and, to the extent applicable to the work or obligations of the Supplier hereunder, Supplier hereby explicitly waives and releases any and all statutory or common law immunities or defenses granted to Supplier as an employer.

6. PROPERTY AND SAFETY

6.1. OSHA Hazard Communication Standard

Supplier, prior to bringing hazardous chemicals or substances onto a Customer Affiliate or End-Use Customer facility and/or arranging for transportation of such chemicals or substances to a Customer or End-Use Customer facility, shall notify Customer and provide the required MSDS for those items. Supplier is hereby notified that the Customer has in place a Hazardous Communication Program in accordance with 29 CFR 1910.1200. This document is available for review and inspection by the Supplier or its representative.

6.2. Protection of Customer and End-Use Customer Property

Supplier shall protect all Customer property in its possession or utilized in the performance of the Services from any damage or loss. Customer property destroyed, damaged, lost or stolen, except by act or omission of the Customer, shall be replaced or repaired to the Customer's satisfaction at Supplier's expense. Supplier shall also protect all End-Use Customer property and as set forth above shall indemnify and hold Customer harmless for any damage to End-Use Customer property.

6.3. Safety

Customer may at any time suspend the work or any part thereof, immediately and verbally for reasons of safety. In the event of any work stoppage, Supplier shall properly protect such work as may be liable to sustain injury from any cause.

The Customer's Safety Rules and Regulations for Suppliers attached hereto and made a part hereof, as Schedule F and shall apply to all work performed under this Agreement.

6.4. Conformity with the Customer's Practices and Procedures

Supplier agrees to comply with Customer's standard practices and procedures regarding access to and activity performed at all the Customer's facilities.

7. CONFIDENTIALITY

7.1. Protection of Customer Information

Supplier, its employees and agents, shall treat any information, (including any technical information, experience or data) regarding Customer or Customer Affiliates' plans, programs, plants, processes, costs, equipment, operations, or End-Use Customers (of Affiliates), which may be disclosed to, or come within the knowledge of, Supplier its employees and agents in the performance of this Agreement, as confidential, and will not use or disclose this information to others, during the term of this Agreement, and for three (3) years thereafter, except as is necessary to perform the Services hereunder, without Customer's prior written consent. The provisions of this Article shall not apply to any information referred to in this Section which (i) has been published and has become part of the public knowledge through no effort by Supplier, its employees, or agents, (ii) has been furnished or made known to Customer or Customer Affiliate by third parties (other than those acting directly or indirectly for or on behalf of Customer or Customer Affiliate) as a matter of legal right and without restriction on disclosure, (iii) was in Supplier's possession prior to disclosure by Customer or Customer Affiliate and was not acquired by Supplier, its employees and agents directly or indirectly from Customer or Customer Affiliate or, (iv) is required by law or by any other governmental regulatory authority to be disclosed.

7.2. Protection of End-Use Customer Information

To the extent Supplier (or its subcontractors or any party acting by or on behalf of Supplier) is provided or has access to End-Use Customer information, the following provisions apply: The Supplier warrants and represents that the Supplier and its subcontractors and all other persons or entities having access to End-Use Customer information by or through the Supplier have the appropriate safeguards in place to prevent the disclosure or use of any End-Use Customer information received from Customer or End-Use Customers, and further agrees to use such information solely for the purpose of performing Services for Customer under this Agreement. Such safeguards shall include without limitation, security tools and processes on Supplier systems, restricting access to such End-Use Customer information to persons on a need-to-know basis, and adequately training and notifying its employees and subcontractors of the restrictions

associated with such information, and identifying and correcting any impermissible use or disclosure. Supplier also agrees to comply with all applicable state, federal and local laws, regulations, codes and policies regarding the protection of End-Use Customer information, and the avoidance of theft or fraud through the improper use or disclosure of such information.

Upon the request of Customer, the Supplier shall provide Customer with detailed information regarding such safeguards, and Customer shall have the right to monitor and audit the compliance of the Supplier at any time with the requirements of this provision. All such customer information shall be returned to Customer upon the completion of the Services (or destroyed if so directed by Customer), and the Supplier shall retain no copy or other record thereof.

7.3. Unauthorized Disclosure of End-Use Customer Information

The Supplier shall give immediate notice to Customer of any incident that may cause such End-Use Customer information to be disclosed or otherwise used in an unauthorized manner. Such immediate notice shall be given first by telephone to the Company's Director of Procurement, Steven Oakes, and to the Company's Senior Attorney, Jeffrey Rosenbloom and shall be followed by a more complete written notice to be sent by express mail overnight courier by the close of business on the day that the incident took place and capable of delivery on the day following the date of the notice. Such notice shall set forth all relevant information regarding the incident, including the specific nature and extent of the disclosure / use, the measures taken and to be taken to retrieve and restore the End-Use Customer information and/or to otherwise prevent the unauthorized use or disclosure of the End-Use Customer information. The Supplier shall, at its sole cost, cooperate fully with Customer and, as necessary, any law enforcement, regulatory authority, insurance carrier, auditors, attorneys and other parties in the investigation and evaluation of such incident, and shall implement at its sole cost any remedial measures recommended by any such parties as approved by Customer.

7.4. Remedies

Supplier understands and acknowledges the failure the Supplier to honor its obligations with respect to Confidential Information and End-Use Customer information will result in immediate and irreparable harm and that monetary damages may be inadequate compensation or remedy. Accordingly, Supplier agrees that Customer (and in the case of End-Use Customer information, such End-Use Customer(s)) will be entitled to all monetary and equitable remedies available, including injunctive relief, to enforce the terms of this Agreement.

7.5. Required Disclosure

In addition to the foregoing, if Supplier becomes legally compelled to disclose any Confidential or End-Use Customer information, Supplier shall provide advance written notice to Customer, shall provide Customer with the opportunity to seek a protective order or other means to limit the disclosure of the Confidential and/ or End-Use Customer information, and shall inform any recipient of the Confidential or the End-Use Customer information of the restrictions and provisions of this Agreement.

7.6. Supplier Information

Any confidential information, which is supplied by the Supplier to Customer or a Customer Affiliate under this Agreement, will be similarly restricted as Customer information. Customer and Customer Affiliate will not disclose such information to others or publish it in any form at any time; provided, however, that notwithstanding the foregoing, Customer may disclose any such information to its Affiliates, employees, and consultants, to any regulatory agencies or instrumentalities when such disclosure is necessary, or otherwise required by law. Customer and Customer Affiliate agree that they will cooperate with the Supplier in an effort to minimize the amount of such information, which will be disclosed in any such case, and to make reasonable efforts to secure confidential treatment of such information.

8. RELEASE OF INFORMATION

8.1. Prohibition on Publicity

Without Customer's express written consent, which consent may be withheld or conditioned in the Customer's sole and absolute discretion, Supplier shall not use in any manner whatsoever, including but not limited to, in connection with any marketing, media, advertising or other publicity: (a) the Customer's name or logo or the name or logo of any Customer Affiliate, or any divisions or business units of any of them; (b) the name of any officer, director, employee, or independent contractor of Customer or Customer Affiliates; (c) the name of any product or service of any Customer or Customer Affiliates; or (d) the name of any customer of Customer or Customer Affiliates.

8.2. Inquiries

All inquiries by any governmental, business, or other entity, including media, regarding any work performed or to be performed by Supplier for Customer or Customer Affiliate shall be directed by Supplier to Customer or Customer Affiliate for response.

8.3. Public Release Of Information

Data, photographs, sketches, advertising and other information relating to the work under this Agreement, which Supplier desires to release or publish, shall be submitted to the Customer for approval at least two (2) weeks prior to the desired release date. As a part of the approval request, Supplier shall identify the specific media to be used as well as other pertinent details of the proposed release. All releases must have the prior written approval of the Customer which approval may be withheld without reason or explanation to Supplier.

IUMC CODE OF CONDUCT

Supplier shall comply with IUMC Code of Conduct in their performance of Customer Affiliate work under this agreement.

GIFTS, GRATUITIES AND CONFLICTS OF INTEREST

The exchange or offer of any money, gifts, services, or other benefits or gratuities by either party hereto to the other party hereto is hereby prohibited. This prohibition shall be applicable to the party's officers, employees, agents, employees and family members of the foregoing. Supplier hereby represents that to the best of its knowledge and/or belief, no economic, beneficial or employment, or managerial relationship exists between Supplier and any employee of the Customer, or any member of such employee's family, which may tend to influence such employee (or those family members) in the performance of his or her duties on behalf of the Customer. In the event Supplier becomes aware of any of the foregoing, the Supplier shall promptly advise the Customer. Supplier further agrees to disclose any claim against the Customer or the Customer's Affiliates, or the existence of any relationship with any other entity which is or may be adverse to the interests of the Customer. In the event any activities or circumstances as described in this Section arise, the Customer shall have the right to elect to terminate this Agreement, effective upon the provision of written notice to the Supplier, and Customer shall further retain all other rights and remedies in law or equity.

9. EMPLOYEE SOLICITATION

During the term of this Agreement and for a period of one (1) year thereafter, except with the prior written consent of Customer, Supplier shall not offer employment to, or employ, any employee of Customer or Customer's current or future affiliates, and Supplier shall not induce or attempt to induce, directly or through an agent or third party, any such employee to leave the employ of Customer or Customer's current or future affiliates.

10. TERM

This Agreement shall be effective as of the Effective Date and shall last for an initial term until [REDACTED]

11. COMPENSATION AND PAYMENT

11.1. Pricing Terms

Services shall be provided on a Fixed Price or Recoverable Cost basis, as specified in the Pricing Terms in Schedule D, attached hereto and made a part hereof.

The total amount of all costs, fees and expenses arising from work performed under this Agreement shall be included in the resulting Purchase Order.

THIS AGREEMENT DOES NOT ASSIGN, NOR GUARANTEE ANY SPECIFIC AMOUNT OF WORK OR MONIES TO SUPPLIER. EXECUTION OF A PURCHASE ORDER INCORPORATING BOTH THE TERMS AND CONDITIONS OF THIS AGREEMENT AND SPECIAL CONDITIONS PERTAINING TO THE PROJECT IS THE ONLY MEANS TO COMMIT ANY WORK OR MONIES UNDER THIS AGREEMENT.

Services on a Recoverable Cost Basis

11.1.1. Payroll and Related Personnel Costs

The hourly rates shall be fully loaded rates, including, but not limited to salaries (including vacation and holiday allowances), social and retirement benefits, all payroll taxes and all premiums for liability and property damage insurance, Workers' Compensation and Employer's Insurance and all insurance premiums measured by payroll costs, other benefits and contributions or taxes imposed by any applicable law or regulations, all overhead costs.

11.1.2. Other Costs and Rates

All expenses must be reasonable and directly associated with the delivery of the services. The supplier shall provide with each proposal an estimate of the expenses anticipated to be necessary to accomplish the scope of work authorized by the Company.

11.1.3. Rate Stability

Rates are to be fixed for the duration of this Agreement.

11.2. Taxes

11.2.1. Sales/Use Taxes

Price does not include sales/use taxes. The Purchase Order or Customer Purchase Order shall determine the payment of any Sales/Use Taxes (Exempt Certificate issued, Supplier bills direct to Customer or Customer pay direct).

11.2.2. Payroll Taxes/Contributions

Supplier shall be responsible for payment of and assumes exclusive liability for any and all contributions or taxes imposed by or required under the laws of the State of New York or any other state, or the Federal Social Security Act or any other act, now or hereafter in effect, upon or in respect to, wages, salaries, benefits or other compensation paid to employees engaged upon or in connection with the work to be performed by Supplier.

11.2.3. Withholding

Customer shall withhold from any payments due Supplier hereunder any amounts that it is required to withhold pursuant to any Federal or State tax laws.

11.3. Invoicing

The Supplier shall submit an invoice each month for the Services performed or payment milestones achieved during the preceding calendar month, supported by copies of payroll abstracts, vouchers and other supporting documentation required by the Customer. For reimbursable expenses, copies of all invoices, receipts, etc. for amounts greater than \$25 should be included, in accordance with Internal Revenue Service Guidelines. The Customer shall pay all undisputed invoices within sixty (60) days of receipt of such invoice. All claims for monies due or to become due from the Customer shall be subject to the right of the Customer to deduct and set off any amounts due from Supplier, or on account of claims against the Supplier.

11.4. Setoffs

In the event Supplier owes money to the Customer or has defaulted under this Agreement or under any other contracts with the Customer, or Supplier has failed to pay any amount owed to the Customer whether pursuant to an agreement, a statutory or regulatory fine, the imposition of statutory or regulatory damages, or otherwise (collectively, the "Obligations"), the Customer may, at its option, setoff and/or net any or all such obligations against any amounts owed by the Customer to the Supplier.

11.5. Examination of Accounts

The Supplier shall maintain, during the course of Services, and retain, for not less than six (6) years after completion thereof, complete and accurate records of all of

the Supplier's costs which are chargeable to the Company. The Company shall have the right at its expense, and upon notice to Supplier, at any time during ordinary business hours, to inspect and audit such records. The records to be maintained and retained by the Supplier shall include (without limitation): (a) payroll records accounting for the total-time distribution of the Supplier's employees working full or part time on the Services (to permit tracing to payrolls and related tax returns) as well as canceled payroll checks or signed receipts for payroll payments in cash; (b) invoices and receipts for purchases, receiving and issuing documents, and all the other unit-inventory records for the Supplier's stores stock or capital items; and (c) paid invoices and canceled checks for materials purchased and for the subcontractors' and any other third parties' charges; (d) other documents and information relating to the achievement of performance or payment milestones, or deliverables.

12. TITLE AND LIENS

12.1. Title

Supplier warrants that it shall have title to all equipment or material furnished hereunder free and clear of all liens and encumbrances. Complete legal and equitable title to each item of equipment or material covered by this Agreement shall pass to the Customer immediately upon delivery at job site. This provision shall apply irrespective of any terms of payment specified in this Agreement. Passage of title pursuant to this provision shall not release or waive any continuing or subsequent responsibility of Supplier under this Agreement.

To the extent Supplier provides, directly or indirectly, Equipment or material to End-Use Customers, such equipment or material furnished to End-Use Customers shall be free and clear of all liens and encumbrances. Complete legal and equitable title to each item of equipment or material covered shall pass to the End-Use Customer immediately upon delivery.

12.2. Liens and Attachments

The Supplier shall not place nor permit any lien or attachment to be placed upon any property of the Customer or End-Use Customer.

Supplier shall take all action reasonably necessary to discharge, remove, or satisfy any lien filed against any property of the Customer, or any portion thereof, arising from any work, labor, services, or materials claimed to have been performed or furnished for, or on behalf of, the Supplier or any person or entity by or through the Supplier. Supplier shall forthwith take such action necessary to discharge, remove, or satisfy any such lien filed against the property of the Customer, including but not limited to posting of a bond. If the Supplier shall fail to discharge, remove, or satisfy any such lien within ten (10) days after notice of the existence of such lien has been provided by the Customer, the Customer shall

have the right, but not the obligation, to pay the amount of such lien, or discharge the same by deposit or bonding, and the amount so paid or deposited, or the premium paid for such bond, with interest at the maximum allowable by law, may be set-off against any payment due Supplier under this Agreement.

NO GUARANTY; HOLD HARMLESS

Supplier acknowledges and agrees that, notwithstanding anything to the contrary contained in this Agreement or in any Purchase Order executed between Supplier and any Customer Affiliates, that with respect to any Purchase Order for Services executed by any Customer Affiliate(s) pursuant to this Agreement:

- (a) All charges, fees, and expenses, as well as any credits, refunds, or rebates, resulting from Services rendered by Supplier pursuant to such Purchase Order shall be solely for the account of such Customer Affiliate(s), and neither the Customer nor any other Customer Affiliates shall be considered a guarantor or surety of any charges, fees, and expenses arising under such Purchase Order;
- (b) All communications, notices, invoices, and reports resulting from Services rendered by Supplier pursuant to such Purchase Order shall be directed to the representative(s) of the Customer Affiliate(s) identified in such Purchase Order;
- (c) Supplier covenants not to sue the Customer or any other Customer Affiliate(s), for any charges, fees, expenses, or claims arising from or attributable to Services rendered by Supplier pursuant to such Purchase Order; and
- (d) Supplier shall hold the Customer and the other Customer Affiliates and their respective employees, agents, officers, shareholders, and directors harmless from and against any and all damages or liabilities arising from or attributable to, directly or indirectly, the performance, non-performance, or other acts of the Customer Affiliate and its employees, agents, or representatives pursuant to such Purchase Order.

13. INSURANCE

The Supplier agrees to carry, or cause to be carried, at all times during the course of this Agreement and for three years thereafter, insurance applying to all work undertaken by it, its agent, employees and subcontractor, including but not limited to the following:

- (a) Worker's Compensation Insurance including Employers' Liability and endorsement providing insurance for obligations under the U.S. Longshoremen's and Harbor Worker's Compensation Act and the Jones Act where applicable.

- (b) Comprehensive General Liability Insurance with combined bodily injury and property damage limits of at least [REDACTED] each occurrence or in the aggregate, including but not limited to coverage for Premises-Operations, Explosion, Collapse and Underground Hazards, Contractual, Broad Form Property Damage, Independent Suppliers, Personal Injury and Products/Completed Operations coverage that will remain in force for a period of at least two years after the Term of this Agreement.
- (c) Automobile Liability including owned, non-owned and hired automobiles with combined bodily injury and property damage limits of at least \$5,000,000 per occurrence.
- (d) Professional Liability Insurance – Professional Liability Insurance with a limit of [REDACTED] per claim/each occurrence and [REDACTED] in the aggregate. This is to provide coverage for claims arising out of the performance of professional services under this contract and caused by any error, omission or negligent act for which Supplier is held liable.
- (e) The Customer, its officers, directors, employees and if required, designated third parties, shall be included as additional insured in Supplier's General Liability, Professional Liability, and Automobile insurance policies and such insurance shall be considered as primary insurance. This additional insured status must be recorded on Supplier's insurance certificate and provided to Customer.
- (f) Any separate insurance maintained by the Customer shall not contribute with insurance extended by Supplier's insurer(s) under this Agreement.
- (g) Risk of Loss: The risk of loss for all labor, materials, tools, equipment and work performed remains with the Supplier until the work under the Agreement is completed and accepted by the Customer. With respect to all insurance carried by the Supplier covering the foregoing, Supplier waives all right of subrogation against Customer and Supplier's insurance shall be endorsed accordingly.
- (h) Supplier shall produce and maintain the above insurance with insurance carriers with at least a B+ 13 rating or higher by the most current version of "A.M. Best's Guide to Insurance Companies."

INSURANCE CERTIFICATES OR POLICIES: Prior to the commencement of work, the Customer requires the Supplier to furnish to Iberdrola USA Management Corporation. Procurement Department/Insurance Cert., 89 East Avenue, Rochester, NY 14649-0001, Certificates of Insurance or Insurance Policies signed by insurers acceptable to the Customer, indicating that the aforementioned insurance is in full force and effect and that the Customer will

receive at least ten (10) days prior written notice of the cancellation or any modification of the insurance that may affect its interest. The Supplier assumes responsibility for securing Certificates from its subcontractors.

14. DISPUTES

14.1. Current Disputes

Supplier covenants that it is not aware of any pending billing dispute or other contractual dispute (pursuant to current contracts or contracts no longer in effect) or any pending or threatened litigation between Supplier and/or any of Supplier's affiliates and Customer and/or and of Customer's affiliates.

14.2. Dispute Resolution

All disputes arising under this Agreement or with respect to its interpretation, whether involving law or fact or both, or extra work, or the scope of work, and all claims for alleged breach of Agreement, shall be submitted by the Supplier in writing to the Customer within the earlier of: seven (7) days following the identification of the claim, or the date for submittal of the invoice for the applicable period. This notice shall include: the amount of the claim, a detailed description of the facts surrounding the claim (including any supporting documentation), and the impact of the claim on the scope or schedule of the Services. While the claim is pending, the Supplier shall continue performance of the Services. In addition, the Supplier shall submit such additional information regarding the claim as the Customer may request. Any claim not presented within the time limit specified in this provision shall be deemed to have been waived. Within thirty (30) days of the receipt of the claim the Customer shall inform the Supplier of the acceptance, rejection or modification of the claim. If the Supplier does not agree with this decision, the Supplier may refer the dispute to the duly authorized representatives of the parties for resolution. Should such officers fail to resolve the dispute within fourteen (14) days after such referral, either Party may seek such further legal recourse as such Party sees fit.

In no event shall the Supplier allow the dispute to delay the Services, but may notify the Customer promptly that Supplier is proceeding with the Services under protest.

15. INDEPENDENT CONTRACTOR

Supplier is and shall always remain an independent Supplier in its performance of this Agreement. The provisions of this Agreement shall not be construed as authorizing or reserving to the Customer or the Supplier any right to exercise any control or direction over the operations, activities, employees or agents of the other in connection with this Agreement.

ASSIGNMENT

Supplier shall not assign all or any of its rights or obligations under this Agreement whether by operation of law or otherwise, except with the prior written consent of Customer. Any assignment made without such consent shall be void ab initio.

Except as may be specifically provided for herein, no provision of this Agreement is intended or is to be construed to be for the benefit of any third party.

16. NON WAIVER OF RIGHTS

Any failure by the Customer to enforce or require the strict performance of the terms or conditions of this Agreement shall not constitute a waiver of such terms or conditions and shall not affect or impair such terms or conditions in any way.

17. RIGHTS, PRIVILEGES, REMEDIES

All rights, privileges and remedies afforded each of the parties hereto by this Agreement shall be deemed cumulative and the exercise of any one or more of such rights or remedies shall not be deemed a waiver of any other right, privilege or remedy provided for herein or available at law or in equity.

18. TERMINATION

18.1. Termination for Convenience

Upon at least ten (10) days advanced written notice to Supplier, Company may, for any reason and with or without cause, terminate all or any part of the unperformed portion of this Agreement without liability to Company except as stated in this Article. In full discharge of any obligations to Supplier in respect of this Agreement and such termination, Company shall pay Supplier, in accordance with the payment terms of the Agreement, only for Services performed prior to receipt by Supplier of notice of termination; provided, however, that such payment shall not result in a total payment to the Supplier exceeding the maximum amount payable to the Supplier pursuant to this Agreement. Termination shall not relieve Supplier of any obligation which may arise out of Services performed prior to termination. In no event shall Company be liable to Supplier for lost profit or overhead in respect of Services not performed prior to termination, unabsorbed overhead or anticipated profits on uncompleted portions of this Agreement.

18.2. Termination for Default

In the event Supplier is in default of any of its obligations under this Agreement, or if Supplier should be adjudged bankrupt, or make a general assignment for the benefit of its creditors or becomes insolvent, Customer shall have the right, on ten

(10) days written notice to Supplier, to terminate this Agreement for such default; provided, however, that Supplier shall have the right to cure by submitting a plan acceptable to the Company to cure the default during the ten (10) day notice period in order to avoid termination and providing that such default is, in fact, cured within thirty (30) days after Supplier first received notice of the default from Company. In the event of a termination for default hereunder, Company shall have all rights and remedies provided by law or equity and under this Agreement. In addition, in such event, Company may retain from any money otherwise due for Services rendered prior to termination an amount which Company reasonably determines is adequate to cover all damage resulting from the Supplier's default. In the event that Supplier demonstrates that a cancellation for default is erroneous, the cancellation shall, at Company's option, be withdrawn or be deemed to have been issued as a termination for convenience pursuant to the preceding paragraph and the rights and obligations of the parties hereto shall in such event be governed accordingly. The value of Services performed not in accordance with this Agreement shall be subject to audit, assessment and approval by Company.

18.3. Termination Based on Regulatory Mandates

Should the NYS Public Service Commission rescind the Order instructing the Company to implement the services as performed by the Supplier, the Customer shall provide such notice to the Supplier. At such time this Agreement shall be terminated without liability or obligation to the Parties, except for any liabilities and obligations of Supplier arising under any previously executed Purchase Orders.

18.4. Responsibility of Parties Upon Termination of Agreement

Upon termination of this Agreement, Supplier shall, as specifically directed by Customer, provide reasonable transition assistance as requested by Customer to ensure that the functions being performed by the Supplier for Customer are continuously carried out without interruption. In such event, Supplier shall use all reasonable efforts to mitigate its expenses and obligations hereunder.

Upon termination of this Agreement,, other than by Customer for default by Supplier, Customer shall pay the Supplier, pursuant to the compensation terms set forth above in the Paragraph 4, for all satisfactory services rendered and eligible fees, costs and expenses prior to the notice of termination and until the actual Agreement termination date. Customer shall also pay Supplier for all reasonable services rendered and costs and expenses incurred by the Supplier subsequent to termination, but only for reasonable transition assistance as specifically directed by Customer that could not, by reasonable efforts of the Supplier, have been avoided.

All records and data related to the Services performed under this Agreement in the possession of the Supplier as they relate to the Customer, shall be made available and turned over to the Customer or its designated representative upon the expiration or termination of the Agreement at the Customer's request.

19. SURVIVAL

Sections 2.9 (Audits), 5 (Warranty and Liability), 7 (Confidentiality), 11 (Employee Solicitation), 13.6 (Examination of Accounts), 22.4 (Responsibility of Parties Upon Termination of Agreement), and all other terms which contain obligations or duties which by their nature are to be or may be performed beyond any termination hereof, shall survive the termination of this Agreement without regard to the reason for termination. Such termination shall not alter or affect the continuing rights and obligations created by those Agreement Conditions.

20. NOTICES AND CORRESPONDENCE

Along with all other correspondence requirements included in this Agreement, any notice, request, approval or other document required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been sufficiently given when delivered in person or deposited in the U.S. Mail, postage prepaid, addressed as specified herein or to such other address or addresses as may be specified from time to time in a written notice given by such party. The parties shall acknowledge in writing the receipt of any such notice delivered in person.

All communications to the Customer shall be directed to:

Iberdrola USA Management Corporation
Contract Administration
89 East Avenue
Rochester, NY 14649
Phone: 585-724-8028
Fax: 585-771-2820

All Communications to the Supplier shall be directed to:



For purposes of Section 7.3:

Steven Oakes 585-724-8082
Jeffrey Rosenbloom 585-724-8132

21. GOVERNING LAW

The Supplier will comply with all applicable federal, state and local laws, rules, ordinances and regulations of any governmental entity, board or agency having jurisdiction over the work or the premises.

All questions concerning the interpretation, validity and enforceability of this Agreement and of its terms and conditions, as well as questions concerning the sufficiency or other aspects of performance under the terms or conditions of this Agreement, shall be governed by the law of the State of New York, without reference to its conflict of law provision and any action or proceeding brought in connection therewith, will be brought in the appropriate court located in the State of New York.

22. CONFLICTING DOCUMENTS

To the extent, if any, that the specifications, drawings or other documents that may be referenced herein conflict with the provisions of this Agreement, the Agreement and the terms and conditions herein shall take precedence and govern.

23. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties hereto relating to the subject matter hereof, and supersedes any previous agreements or understandings. No preprinted terms and conditions contained in the Supplier's documents with respect to the Services shall be effective to modify or add to the terms and conditions which are contained in this Agreement unless agreed to in writing by both parties.

24. SEVERABILITY

If any provision of this Agreement is unenforceable under any applicable law or is held invalid, such holding shall not affect any other provision hereof, and this Agreement shall be construed as if such unenforceable or invalid provision had never been contained herein.

IN WITNESS WHEREOF, Customer and Supplier have each caused this Agreement to be signed and delivered by its duly authorized representative as of the date first given above.

CUSTOMER

SUPPLIER

Signature

Signature

Print Name

Print Name

Title
Authorized Procurement Representative

Title

Date

Date

SCHEDULES:

- Schedule A: Customer Affiliates
- Schedule B: Services (Scope of Work)
- Schedule C: Supplier Safety Requirements
- Schedule D: Pricing Terms
- Schedule E: Special Conditions
- Schedule F: Key Personnel
- Schedule G: Subcontractors
- Schedule H: Plan and Schedule of Work

SCHEDULE A
CUSTOMER AFFILIATES

New York State Electric & Gas Corporation
Corporate Drive, Kirkwood Industrial Park
PO Box 5224
Binghamton, NY 13902-5224

Rochester Gas and Electric Corporation
89 East Avenue
Rochester, NY 14649-0001

SCHEDULE B

SCOPE OF WORK

A. Startup

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
1	Conduct kickoff meeting	<ul style="list-style-type: none"> ○ Produce agenda ○ Make pre-work assignments ○ Complete pre-work ○ Lead meeting 	<ul style="list-style-type: none"> ○ Review & approve agenda ○ Provide site ○ Complete pre-work ○ Participate in meeting 	Schedule H milestone
2	Identify Supplier Team	<ul style="list-style-type: none"> ○ Identify those to be involved in start-up process ○ Identify ongoing contact person(s) ○ Update Schedule F 	<ul style="list-style-type: none"> ○ Approve Supplier team 	Schedule F
3	Identify initial subcontractors and suppliers	<ul style="list-style-type: none"> ○ Recruit and contract with initial subcontractors and suppliers ○ Identify ad agency account rep ○ Update Schedule G ○ Comply with small business plan 	<ul style="list-style-type: none"> ○ Approve subcontractors and suppliers within a reasonable time frame 	
4	Develop Procedures Manual	<ul style="list-style-type: none"> ○ Develop Procedures Manual, including data dictionary and data management process flow diagram ○ Describe data elements stored and calculated by Supplier's data management system 	<ul style="list-style-type: none"> ○ Review/ approve Procedures Manual ○ Identify employees to be trained 	Manual outlined in Schedule E
5	Develop Marketing Plan	<ul style="list-style-type: none"> ○ Develop initial marketing plan based on the assumption that \$30/customer is available and that the Companies will arrange for and directly pay for bill inserts 	<ul style="list-style-type: none"> ○ EEPS group and Corporate Communications Review/approve plan 	
6	Finalize forms, leave-behinds, marketing materials, etc.	<ul style="list-style-type: none"> ○ Design first bill insert, targeting May insertion ○ Design other forms and materials ○ Work with Customer to determine acceptable 	<ul style="list-style-type: none"> ○ Provide branding parameters (logos, slogans, rules for use, etc.) ○ Work with Supplier to determine acceptable ways to provide evidence to 	Note on forms which fields are mandatory for rebate

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
		<p>ways to provide evidence to End-Use Customer of pickup crews' relationship with Customer</p> <ul style="list-style-type: none"> ○ Provide forms in electronic versions for Customer website as needed ○ Produce hard-copy forms ○ Design forms for data integrity when data is entered in tracking system, insure all required parameters from Table 1 and Table 2 of the NY PSC Reporting Requirements are captured on the forms and in the Supplier's tracking system. 	<p>End-Use Customer of Supplier relationship with Customer</p> <ul style="list-style-type: none"> ○ Review/ approve forms, materials, etc. 	processing.
7	Finalize FAQs and conduct training	<ul style="list-style-type: none"> ○ Develop FAQs for use by Customer call center & employees, Supplier call center & employees, Customer website ○ Develop electronic and hard copy training materials to implement training plan ○ Implement training plan 	<ul style="list-style-type: none"> ○ Review/ approve FAQs ○ Review/ approve training materials ○ Help Supplier schedule training, and identify locations and arrange logistics for in-person training ○ Participate in training 	
8	Finalize participant screening tools	<ul style="list-style-type: none"> ○ Draft participant screening rules and guidelines ○ Review Customer and regulatory requirements ○ Produce, finalize, and test tools 	<ul style="list-style-type: none"> ○ Review/approve screening rules and guidelines ○ Test and approve screening tools 	
9	Finalize information systems & reports	<ul style="list-style-type: none"> ○ Customize Supplier's program database ○ Develop interface and data transfer specifications for Supplier to deliver to Customer on a monthly basis a comma 	<ul style="list-style-type: none"> ○ Work with the Supplier to develop interface and data transfer specifications; review/approve the test plan; and carry out the plan ○ Provide specifications for information to be provided by Supplier invoices, 	

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
		<ul style="list-style-type: none"> delimited file(s) of all data recorded in the Supplier's database, and develop and carry out a plan to test the interface and data transfer ○ Work with the Customer to finalize invoice, management, and regulatory reporting specifications, including specifications to be used by Supplier to produce monthly NY PSC Scorecard reports and Excel spreadsheets per the specifications in the NY PSC Reporting Guidelines and New York Technical Manual. ○ Produce test reports 	<ul style="list-style-type: none"> comma delimited files, for monthly reports to enable the Customer to oversee the program, and for Supplier production of NY PSC monthly Scorecard reports required by the New York Public Service Commission ○ Review/ approve reports and Excel spreadsheets produced during testing 	
10	Announce program	<ul style="list-style-type: none"> ○ Begin customer recruitment upon issuance of press release 	<ul style="list-style-type: none"> ○ Produce and issue press release ○ Update website 	Schedule H milestone

B. Management

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
1	Program management meetings	<ul style="list-style-type: none"> ○ Participate in conference calls and in-person meetings ○ Contribute to agendas ○ Carry out pre-work and complete action items ○ Conduct ongoing employee, subcontractor, and Company training as needed 	<ul style="list-style-type: none"> ○ Schedule regular conference calls for Customer and Supplier management team ○ Schedule occasional in-person meetings ○ Develop agendas ○ Carry out pre-work and 	Use meetings to resolve issues, improve understanding of program performance, identify opportunities for program improvement, develop & approve reports

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
			complete action items ○ Help identify ongoing training needs	
2	Data management and reports	<ul style="list-style-type: none"> ○ Provide ongoing data management, tracking and reporting of measures, savings, costs and other target achievement metrics. This will include data provided to Customer through direct access, extracts and reporting at regular intervals (weekly, monthly, quarterly and annually), and on an ad hoc basis. ○ Supplier to provide to Customer on a monthly basis a comma delimited file(s) of all data recorded in the Supplier's database ○ Produce monthly PSC Scorecard Excel spreadsheet in the layout and file format specified by and suitable for filing with the PSC. ○ Provide input and/or draft responses to PSC interrogatories. ○ Provide information required by Customer to conduct program process and impact evaluation, including providing data files from the tracking system, including all stored and calculated fields, in a format to be determined by the Evaluation Contractor. 	<ul style="list-style-type: none"> ○ Monitor program performance based on data, reports, and on-site inspections, and initiate changes as necessary ○ Provide guidance, oversight and feedback to Supplier-provided data management, tracking and reporting activities ○ Provide CCS extracts ○ Identify PSC reporting requirements ○ Review and approve final monthly, quarterly, and annual PSC scorecards. ○ Provide guidance and produce final responses to PSC interrogatories 	Process and impact evaluation will be conducted independently
3	Oversee employees and subcontractors	<ul style="list-style-type: none"> ○ Manage, supervise, and ensure the quality performance of employees and subcontractors ○ Provide ongoing training as required 	<ul style="list-style-type: none"> ○ Approve training materials and participate in training as requested by 	

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
			Supplier	
4	Address customer concerns	<ul style="list-style-type: none"> ○ Resolve customer concerns as quickly and effectively as practical ○ Engage Customer when necessary to resolve issues, and escalate matters for Customer to address when required ○ Work with Customer to resolve concerns or complaints received directly by Customer or through the PSC 	<ul style="list-style-type: none"> ○ Work with Supplier to resolve customer concerns as necessary ○ Promptly address escalated customer concerns ○ Inform Supplier of customer concerns or complaints received directly by Customer or through PSC 	Comply with requirements in Schedule E
5	Respond to customer inquiries	<ul style="list-style-type: none"> ○ Maintain toll-free number for program participant questions and status inquiries ○ Return all calls within one business day ○ Document customer call statistics 	<ul style="list-style-type: none"> ○ Maintain toll-free number to respond to general customer questions regarding program ○ Document customer call statistics ○ Maintain website for use by customers and trade allies ○ Work with Supplier to define a mechanism and procedure for transferring and coordinating customer contacts to call center 	
6	QA/QC	<ul style="list-style-type: none"> ○ Develop QA/QC plan ○ Carry out responsibilities 	<ul style="list-style-type: none"> ○ Review & approve 	QA/QC requirements

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
		<ul style="list-style-type: none"> ○ specified in QA/QC plan ○ Maintain QA/QC records ○ Issue and tabulate customer satisfaction surveys, and maintain records of surveys 	<ul style="list-style-type: none"> ○ QA/QC plan ○ Carry out responsibilities specified in QA/QC plan ○ Maintain QA/QC records ○ Review results of customer satisfaction surveys 	specified in Schedule E
7	Customer invoicing	<ul style="list-style-type: none"> ○ Invoicing and required documentation from subs is received and reconciled with data collected on site during the removal and recycling processes ○ NYSEG/RGE invoice is prepared and submitted monthly 	<ul style="list-style-type: none"> ○ Identify supporting documentation required with each invoice ○ Approve payment 	

C. Marketing & Customer Recruitment

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
1	Recruit customers	<ul style="list-style-type: none"> ○ Encourage customer participation through the use of company supplied customer lists, advertising, direct mail, e-mail, associations, agencies and community organizations, etc. to develop customer prospect list 	<ul style="list-style-type: none"> ○ Provide list of residential customers with associated data ○ Provide unsolicited leads ○ Review/ approve advertising 	<p>Pace of recruitment should be consistent with available implementation resources.</p> <p>Diversity of recruitment should be consistent with providing all qualifying customers a fair and equitable opportunity to participate.</p>
2	Eligibility verification	<ul style="list-style-type: none"> ○ Confirm qualifications of customer prospects 	<ul style="list-style-type: none"> ○ Provide qualified updated CCS extracts monthly 	
3	Obtaining customer permissions	<ul style="list-style-type: none"> ○ Obtain customer authorization to remove refrigerators/freezers on an agreed upon date and time 	<ul style="list-style-type: none"> ○ Periodically audit records 	

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
		<ul style="list-style-type: none"> ○ Obtain written permission on-site to remove refrigerators/freezers 		
4	Obtaining customer authorizations	<ul style="list-style-type: none"> ○ Obtain required customer authorization for use of their consumption history and other data, including their agreement to participate in follow-up surveys ○ Conduct post-installation customer satisfaction surveys ○ Maintain records of authorizations and permissions and of work status in Supplier's database ○ Retain documentation of all authorizations and permissions 	<ul style="list-style-type: none"> ○ Periodically audit records 	
5	Issue customer incentive payments	<ul style="list-style-type: none"> ○ Issue customer incentive payments within 4 weeks of refrigerator/freezer removal 	<ul style="list-style-type: none"> ○ Periodically audit records 	

D. Refrigerator/Freezer Removal

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
1	Scheduling	<ul style="list-style-type: none"> ○ Provide the means for customers to schedule removal appointments online or by phone ○ Offer Saturday and morning/afternoon removal ○ Give customers a day-ahead confirmation call 	<ul style="list-style-type: none"> ○ Provide link on Company website to Supplier's scheduling web page 	
2	Removal	<ul style="list-style-type: none"> ○ Provide 2 person crews for all removals ○ Ensure that removal crews have the proper equipment and vehicles necessary for safe and efficient removal 	<ul style="list-style-type: none"> ○ Periodically observe removals 	
3	Confirmation	<ul style="list-style-type: none"> ○ Provide written confirmation of removal to the customer 	<ul style="list-style-type: none"> ○ Periodically audit records 	
4	Deface/disable removed units	<ul style="list-style-type: none"> ○ Deface/disable removed units to ensure they do not enter the 	<ul style="list-style-type: none"> ○ Periodically observe removals 	

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
		secondary market		

E. Recycling

#	Activity	Supplier Responsibility	Customer Responsibility	Notes
1	Regulatory compliance	<ul style="list-style-type: none"> ○ Ensure that recycling operations comply with all local, state,, and federal hazardous waste and recycling laws and regulations 	<ul style="list-style-type: none"> ○ Periodically inspect recycling operations 	
2	Recycling operations	<ul style="list-style-type: none"> ○ Recover, reclaim, and/or destroy all refrigerants ○ Recover and destroy all blowing agents in foam insulation ○ Recycle all glass, metal, and plastic 	<ul style="list-style-type: none"> ○ Periodically inspect recycling operations 	

SCHEDULE C

SUPPLIER SAFETY REQUIREMENTS FOR SERVICES PROVIDED TO IBERDROLA USA AFFILIATE COMPANIES

The purpose of this document is to advise Suppliers providing services to Iberdrola USA affiliate companies (“Affiliates”) of their responsibility to plan and perform their work in conformance with all applicable federal, state, and local laws, rules, regulations and ordinances of any agency having jurisdiction on the premises. These requirements apply to construction type projects where Affiliate employees are not working at the same site, and to Suppliers who perform independent work related to electric transmission and distribution operations, and gas operations. Commitment to safe work practices is important at all Affiliate job sites; thus, evidence concerning Supplier safety performance and past safety history are factors that influence contract award decisions.

This document shall be provided to Suppliers to aid in the communication of hazards and minimum safety requirements, and to establish Affiliate expectations regarding safe work behavior while on company property. All Suppliers must follow the requirements in this document, as well as their own company safety rules, policies and procedures. In the case of conflicting requirements, the most stringent shall prevail.

Each Supplier shall have a current written safety program and employee safety rules that comply with all regulatory requirements. In addition, each Supplier employee shall be familiar with the safety requirements in this document, and is expected to abide by them. All Suppliers and Subcontractor employees must be properly equipped and trained.

Suppliers shall communicate the required safety rules and regulations to their employees in a documented tailboard meeting prior to the start of the job. The form given in Attachment A may be used for this purpose. Suppliers are responsible for interpreting these rules for non-English speaking and reading-impaired employees. Suppliers are responsible for informing all Subcontractors of the safety rules and regulations set forth here and in the contract terms and conditions.

Affiliate Project Monitors shall facilitate Supplier compliance with safety requirements by including this document into contract specifications. All questions pertaining to this document shall be directed to the Affiliate Project Monitor or an Affiliate Health and Safety Representative. Neither the Affiliate Project Monitor nor Health and Safety Representatives shall exercise general supervisory authority over Supplier worksites. In particular, the Company shall not conduct worksite safety inspections, identify safety and health hazards, or correct deficiencies and violations. Moreover, the Company shall not provide personal protective equipment to Supplier employees, perform employee exposure monitoring, or provide advice concerning safe work practices. Rather, the

Supplier is accountable for all aspects of worker protection, as well as for preventing, detecting and promptly correcting all safety and health deficiencies associated with activities covered by the contract scope of work.

A. Pre-Bid Meeting

For certain projects where specific safety issues exist or known site conditions require special precautions, a pre-bid meeting may be held. The purpose of the meeting is to emphasize the key safety requirements that apply to the project, and offer the opportunity for bidders to ask questions regarding job site conditions and worker protection issues. When necessary, an Affiliate Health and Safety Representative will participate to address safety-related issues such as known site hazards and anticipated personal protective equipment (PPE) requirements. Where applicable, announcement of a pre-bid meeting will be issued with the contract Request for Proposal.

Prospective Suppliers will be informed that past safety performance is an evaluation factor that may determine contract award and/or disqualification of bidders.

B. Project Health & Safety Plan

Suppliers performing high-hazard work may be required to prepare and submit a Project Health & Safety Plan (e.g., as required under 29 CFR 1910.120 and 29 CFR 1926.65). Projects requiring a Plan will be identified at the pre-bid stage of the contracting process. The Plan must address topics such as:

1. Scope of work and planned activities
2. Potential health and safety hazards
3. Individual job functions and responsibilities
4. Personal protective equipment and hazard mitigation strategies
5. Emergency equipment and incident response procedures
6. Exposure monitoring and control
7. Training and medical surveillance requirements
8. Standard operating procedures

Depending on the nature of the project, the Supplier may be required to have their Plan endorsed by a Certified Industrial Hygienist (CIH), Certified Safety Professional (CSP), and/or a licensed Professional Engineer (P.E.).

C. Post-Award Contractor Safety Orientation

For certain projects, a pre-construction conference may be required to discuss and agree upon safety procedures and controls at the job site. Supplier management representatives, key Supplier employees (i.e., designated on-site “Competent Person”), Affiliate Project Monitors, and Affiliate Health and Safety Representatives shall typically participate. The topics for discussion include:

1. Job site housekeeping practices
2. Storage of materials and tools
3. Restricted areas and evacuation plans
4. Safety inspection and exposure monitoring plans
5. Procedures for documented employee safety meetings and job briefs
6. Subcontractor responsibilities
7. Hazardous chemicals and spill response procedures
8. Certification of Supplier employee qualifications
9. Site security and public protection
10. Emergency notification call lists and procedures

The orientation session is not intended to provide Supplier employees with training to meet regulatory compliance requirements.

A. Prohibited Conduct

Violation of the following conduct rules shall result in immediate dismissal of an employee from the site by the Supplier.

1. The possession or drinking of alcohol on any company property, including parking lots.
2. The suspected use of any substances which alter mental or physical capacity, including but not limited to non-prescription drugs, prescription drugs not prescribed to the user, narcotics, marijuana or other “controlled substance” or “controlled dangerous substance.”
3. Possession of firearms, ammunition, explosives or other weapons on company property/private vehicles

4. Engaging in fighting or horseplay
5. Operating switches, valves, or push buttons unless authorized

B. General Rules

The Supplier shall ensure that all personnel comply with the following rules, regardless of the nature of their job.

1. Supplier employees shall not enter any building or area where their work does not require their presence.
2. The Supplier shall maintain current safety warning signs/devices, barricades, handrails, and guardrails, and erect new ones if the hazard changes. The Supplier shall also remove signs from the work site when there is no longer a hazard present.
3. Supplier employees shall not use emergency exits other than for emergencies, or block emergency exits.
4. The Supplier shall have a program to provide for frequent and regular inspections of the job site, materials, and equipment by designated competent persons.
5. The Supplier shall instruct each employee in the recognition and avoidance of unsafe conditions and in the regulations applicable to his/her work environment to control or eliminate any hazards or other exposure to illness or injury.
6. The Supplier shall permit only those employees qualified by training or experience to operate equipment and machinery.
7. Supplier employees shall not work on equipment or facilities that are not included in the contract scope of work, or where specific permits/clearances may be required prior to performing a task.

C. Incident Reporting

1. After notifying emergency agencies or calling 911, as appropriate, the Affiliate Project Monitor shall be notified immediately, and in writing, of any accidents involving personal injury requiring medical treatment, or property damage. The Supplier is responsible for notifying OSHA, when applicable. Appropriate written reports shall be completed within one working day.
2. All work must be done in a manner which minimizes the possibility of a spill of hazardous or non-hazardous substance to the environment. Placement of fuel, oils, chemicals and sanitary facilities, or fueling, greasing, or oiling of equipment shall be in a location which avoids, to the degree possible, water sources, wells, or other ecologically sensitive sites. Any spill must be immediately reported in writing to the Affiliate Project Monitor and the appropriate authorities. Supplier is responsible for all associated clean-up costs, penalties, etc.

D. Asbestos Containing Materials (ref: 29 CFR 1926.1101 and 1910.1001)

Suppliers shall not disturb known or suspected asbestos-containing materials. When these materials are encountered and could potentially be disturbed by the work being performed, work should immediately be stopped and confirmatory analyses performed as necessary. The Supplier shall immediately notify the Affiliate Project Monitor in writing. Examples of presumed asbestos-containing materials include, but are not limited to, the following:

- Cement wallboard and exterior sheeting
- Thermal insulation and high temperature gaskets
- Ceiling tiles and lay-in panels
- Acoustical and decorative plaster
- Vinyl or asphalt floor tile and sheeting, and mastic
- Electrical cloth, electrical panel partitions, underground conduit, and fabric-type wire insulation
- Roofing shingles, felt, base flashing, and caulking
- Boiler, breeching, duct, and pipe insulation
- Wallboard and spackling/taping/joint compounds

E. Compressed Air/Air tools (ref: 29 CFR 1926.302 and 1910.243)

1. The Supplier will comply with the standards for compressed air equipment used in providing compressed air for performing operations such as cleaning, drilling, hoisting and chipping.
2. Pneumatic power tools shall be secured to the hose in a positive manner to prevent accidental disconnection.
3. Safety clips or retainers shall be securely installed and maintained on pneumatic impact tools to prevent attachments from accidentally being expelled.
4. The manufacture's safe operating pressure for all fittings shall not be exceeded.
5. All hoses exceeding ½ -inch inside diameter shall have a safety device at the source of supply or branch line to reduce pressure in case of failure.

F. Confined and Enclosed Spaces (ref: 29 CFR 1926.21; 1910.269(e) and 1910.146)

The Supplier is responsible for developing their own program and complying with all applicable confined-space and enclosed space work practices and standards. Supplier employees working in confined/enclosed space conditions must have demonstrated competency in proper work practices and rescue techniques (achieved by training and experience). The Supplier shall have a means of emergency rescue arranged prior to start of work and must check with the local fire department or agency expected to provide rescue assistance as to their availability prior to entering space.

G. Cranes (ref: 29 CFR 1926.550; 1910.179 and 1910.180)

The Supplier shall not use Affiliate cranes. Specific exceptions to this rule shall be written and made part of the contract. Qualified employees, with licenses when required, will operate cranes. If a license is required, the operator will have the license with them when operating subject cranes. Lift plans may be necessary before work begins.

Documentation will be submitted to the Affiliate Project Monitor upon request. The Supplier must maintain a physical barrier around all equipment and machinery in the hoisting area. In areas exposed to vehicular traffic, the Supplier must conform to OSHA paragraph 1926.651(d) and also make appropriate arrangements with local authorities for traffic control/detour. All crane sites and equipment must be secured during off work hours to prevent unauthorized access.

H. Drugs and Alcohol (ref: 49 CFR 382; DOT Part 199)

1. Possession or use of controlled substances or alcohol is strictly prohibited on Affiliate premises or while working for the Company. Reporting to work on Affiliate property under the influence of unauthorized drugs or alcohol is strictly prohibited; any person under the influence of unauthorized drugs or alcohol shall not be permitted on the premises of an Affiliate project.
2. When applicable, Suppliers must comply with U.S. Department of Transportation Part 199 regulations. The Supplier's written program and documented random sampling program for Drugs and/or Alcohol shall be made available upon request.

I. Electrical Safety (ref: 29 CFR 1926.402-408, 416, 417; 29 CFR 1926, subpart V, and 1910.269)

1. Only authorized and qualified personnel shall work on installation and maintenance of electrical equipment.
2. All equipment used, including extension cords, shall have required approvals and be free from known defects.
3. Electrical equipment or tools (unless specially designed) shall not be operated in wet areas, or where potentially flammable dusts, vapors, or liquids are present.
4. When working on Affiliate-owned equipment and facilities, the Supplier will utilize a lockout/tagout procedure or recognized isolation/tagging procedure, as specified by the Affiliate. GFCI's (ground fault circuit interrupters) shall be used for all electrical tools and equipment.
5. If a circuit breaker or other protective device operates ("trips") to open a circuit, a qualified electrician must determine the cause of the problem before the device is reset.
6. Equipment, boxes, switchgear, cabinets, or electrical rooms with exposed energized parts shall be attended or secured at all times.
7. All non-qualified Supplier employees and equipment shall stay a minimum of 10 feet away from overhead, energized lines. Non-qualified Supplier employees are not permitted to enter an energized substation unless qualified personnel accompany them.
8. Mobile radio antennas shall be lowered prior to taking any vehicles inside a substation.
9. No metal measuring tapes or tapes containing a metal wrap shall be used near energized circuits, equipment, poles or substation structures.

10. Metal tools utilizing cable slings, winch cable, chains, loose sections and ends of conductors, or other similar objects, shall be kept under control by the worker to prevent contact with energized conductors or equipment and the worker's body.

J. Excavations (ref: 29 CFR 1926.650-652, 1926.800, and 1926.956)

The general requirements of the OSHA Excavation Standard , 29 CFR 1926 Subpart P, including the provision for a competent person, shall be understood and followed by all Supplier employees. All excavations that workers may enter that are 5 feet or more in depth, or a depth where there is danger of cave-in shall be protected by a shoring or shielding system, or by an appropriate benching or sloping system. Materials shall not be stored closer than two (2) feet from the edge of a trench or excavation, and mobile equipment shall not be operated in close proximity to the edge unless extra precautions are taken to shore or slope the walls back to a stable slope. Additional requirements include but are not limited to the following items:

- Supplier must submit excavation plans to the Affiliate Project Monitor prior to any excavation work.
- Provide adequate barriers/barricades around excavations and machinery, including special considerations for securing excavations left overnight.
- In areas exposed to vehicular traffic, the Supplier must conform to OSHA paragraph 1926.651(d) and also make appropriate arrangements with local authorities for traffic control/detour.
- Perform air monitoring where there is a potential for a hazardous atmosphere.
- Make advance notification to Underground Facilities Protective Organization (e.g. Dig Safe).
- Provide adequate access and egress, and signage necessary to direct vehicular and pedestrian traffic safely around the work area.
- Perform routine inspections of all excavation equipment, including lights and safety features such as back-up warning devices.
- Hand dig when within two feet of any underground facility.
- Notify Affiliate Project Monitor to obtain environmental assistance if it becomes necessary to perform dewatering.
- The Supplier shall promptly notify appropriate utilities of any damage done, prior to backfilling the trench.

K. Fire Regulations (ref: 29 CFR 1926.150, 152, 1910.38, 1910.39, 1910.157)

1. Suppliers shall provide fire extinguishers, sealed, fire service ready, inspected and in good working order and properly maintained at all times when live gas work is being done. At least one 20-pound dry chemical fire extinguisher shall be on the ground near the edge of the excavation.
2. Suppliers shall provide a trained fire watch as dictated by the job hazard assessment.
3. When required, hot work permits shall be obtained from the Affiliate Project Monitor for such activities as welding, cutting, burning, anything that causes a

spark, uses an open flame, or involves temperatures high enough to ignite combustible materials.

4. All acetylene and oxygen cylinders shall be stored and used in accordance with OSHA regulations (ref: 29 CFR 1926.350), and transported per DOT specifications. Flashback arresters shall be installed at the welding tip and at the regulator.
5. Open flames, sparks or smoking shall be prohibited in areas so marked or designated, and where a recognized combustible/flammable hazard exists.
6. Fire detection and/or suppression systems shall not be disabled or blocked without notifying the Affiliate Project Monitor and obtaining his/her consent.
7. Flammable/combustible material shall be stored in approved containers and locations. Quantities in excess of one day's use shall be reported to the Affiliate Project Monitor.

L. Hazard Communication (ref: 29 CFR 1926.59 and 1910.1200)

1. The Supplier must have a written program that complies with OSHA's Hazard Communication standard.
2. Before commencing work, all affected Supplier employees must be trained in accordance with the requirements of the standard.
3. Suppliers shall provide to the Affiliate Project Monitor a list of chemicals and Material Safety Data Sheets (MSDS) for each chemical that they will bring on Affiliate property or use on an Affiliate project.
4. Supplier chemical containers shall be properly labeled and stored.
5. All unused chemicals, which Suppliers bring onto Affiliate property or use for a project, shall be the responsibility of the Supplier to properly dispose of and/or remove.
6. The Affiliate Project Monitor shall make Suppliers aware of the Affiliate's Hazard Communication Program, notify them of any chemicals that they may be exposed to while working on Affiliate property, and provide access to the applicable MSDS.
7. The use of any hazardous material by a Supplier in occupied buildings must be approved by the Affiliate Project Monitor.

M. PCB fluids (Polychlorinated Biphenyl Fluids) (40 CFR 761)

PCB fluids were formerly used as an electrical insulating fluid (transformers, regulators, capacitors, PTs, CTs), and also can occasionally be found in the gas distribution system in gas pipe, distribution equipment, (filters, separators, drips, meters, and regulators) and gas condensate/pipeline liquids. When these materials are encountered and could potentially be disturbed by the work being performed, work shall immediately be stopped. The Supplier shall immediately notify the Affiliate Project Monitor in writing.

N. Hazardous Waste (ref: 40 CFR 260)

Supplier is responsible for the removal and proper disposal of all hazardous waste they generate, including completion of documentation such as waste profiles, waste analytical samples, and hazardous waste manifests. As a minimum, the Supplier shall perform proper labeling, adequate secondary containment, segregation of incompatible materials, and routine inspection of storage areas as required by all U.S. EPA, state and local regulations. In addition, all hazardous waste containers must be properly constructed and in sound condition, and shall be kept securely closed. Supplier employees must be properly trained in hazardous waste procedures in accordance with regulatory requirements. The Supplier shall notify the Affiliate Project Monitor in writing before making any arrangements for shipping and disposal of hazardous waste.

O. Housekeeping (ref: 29 CFR 1926.25)

1. Good housekeeping practices shall be strictly adhered to daily. The work site shall be kept clean and orderly.
2. Trash shall be promptly removed from the work site and from the customer's property.
3. Boards with protruding nails shall not be left lying around. All nails shall be withdrawn or hammered down.
4. Suppliers shall not block means of access or egress, or safety equipment.

P. Ladders and Scaffolding (ref: 29 CFR 1926.451, 1050-1053, 1060, 1910.27)

1. Suppliers shall not use Affiliate ladders without permission from the Affiliate Project Monitor, or where an exception is included in contract documents.
2. Suppliers are required to furnish their own ladders and equipment free of defects.
3. All straight and extension ladders shall be properly maintained and equipped with approved safety feet.
4. No work shall be performed until the ladder is properly secured.
5. Barricades should be placed to direct pedestrian traffic away from ladders.
6. Ladders must be inspected for defects on a regular basis, and immediately removed from service when deemed unsafe
7. The areas at the top and bottom of a ladder shall be kept clear of debris and equipment.
8. Ladders made of conductive materials shall not be used while working in proximity to energized electrical facilities.
9. All ladders shall be removed at the end of the work shift to prevent unauthorized use, or access to elevated surfaces.
10. All scaffolding erection and use shall be in compliance with OSHA standards. A licensed Professional Engineer's approval of scaffolding plan(s) shall be submitted as required.

Q. Lead (ref: 29 CFR 1926.62 and 1910.1025)

Suppliers shall not disturb known or suspected lead-based paint and other lead-containing materials. When these materials are encountered and could potentially be disturbed by the work being performed, work shall be stopped immediately. The Supplier shall immediately notify the Affiliate Project Monitor in writing.

R. Medical Services (ref: 29 CFR 1926.50)

1. When a medical facility is not reasonably accessible (i.e., within 15 minutes) for the treatment of injured employees, personnel trained to render first aid and CPR shall be available at the worksite. The personnel designated to provide CPR and first aid must have current certifications and must carry evidence of their training while on site.
2. First aid supplies approved by a services physician shall be readily available at the worksite.

S. Motor Vehicles (ref: 29 CFR 1926.600-02)

1. Suppliers shall not use Affiliate vehicles without permission. Suppliers shall transport employees in a safe manner (e.g., riding in the back of a pick-up and in places other than the operator's seat, (i.e., a backhoe bucket or fender) is prohibited).
2. Supplier employees shall possess the necessary license classification for vehicle(s) being driven.

T. Overhead Work (ref: 29 CFR 1926.500-503)

1. Personnel shall be protected from falling tools, equipment and material.
2. All girders, beams and overhead surfaces shall be kept free of loose material.

U. Personal Safety Equipment (ref: 29 CFR 1926.28, 52, 95, 100-103, 353, 500-503; 1910 Subpart I)

1. Eye and Face Protection - Approved and appropriate eye and/or face protection shall be worn at the worksite. Personnel involved in welding operations shall wear eye protection with filter lenses or plates of the proper shade number. The eye and face protection must meet the requirements of ANSI Z87.1-2003.
2. Head Protection – OSHA approved hard hats meeting the requirements of ANSI Z89.1-2003 shall be worn at work sites where there is potential for head injury. Bump caps, metal hard hats, and metal hard caps are prohibited.
3. Clothing – Suppliers employees shall be properly clothed at all times. Appropriate natural fabric clothing or approved flame retardant clothing is required while working on energized gas pipelines, energized electrical equipment and whenever a flame hazard exists.
4. Gloves – Suitable gloves will be worn when there is a potential for hand injury.

5. Foot Protection – Safety shoes and boots that meet the guidelines of ANSI Z41-1991 must be worn whenever exposed to crushing hazards.
6. Hearing Protection – All personnel subjected to sound exceeding the OSHA permissible 90 decibel level shall have available and wear appropriate hearing protection. Hearing protection training and medical monitoring are required by OSHA for Supplier employees working in areas exceeding the OSHA 85 decibel action level.
7. Respirators - The Supplier shall provide respirators based on the hazard encountered. Supplier respirator use will be in compliance with OSHA requirements.
8. Fall protection - Whenever work site conditions involve a potential for a fall hazard of 4 feet or more, the Supplier shall use appropriate fall protection meeting the requirements of OSHA 29 CFR Subpart M – Fall Protection.

V. Radiation (ref: 29 CFR 1926.53, 1910.96, 1910.97, 1910.1096, 10 CFR 19,20,32-36,39)

1. The Supplier may utilize equipment containing an ionizing radiation source only when appropriately licensed to do so. A copy of their license must be available on-site.
2. The Affiliate Project Monitor will inform the Supplier when work is necessary near an Affiliate ionizing radiation source.
3. If work is required in the proximity of an ionizing radiation source, the Supplier shall comply with all applicable regulations.

W. Tools (ref: 29 CFR 1926.300-305, 1910.242)

1. Suppliers shall not use Affiliate tools without permission.
2. Tools shall be kept defect free and if defects are found, immediately taken out of service.
3. Tools shall be maintained as per manufacturer's specifications and governing regulations.
4. Tools shall not be retrofitted or modified.

X. Water Safety (ref: 29 CFR 1926.106)

When Suppliers work over or near water and where the danger of drowning exists, the Supplier must comply with all provisions of OSHA (i.e., training, Coast Guard approved life jackets, ring buoys, skiffs, fall protection etc.).

Y. Work Area Protection (Flagging) (1926.201)

1. Suppliers shall use adequate work area protection. All work area protection shall be in accordance with the Federal/State Manual of Uniform Traffic Control Devices.
2. All Suppliers working in the road right-of-way:

- a. Must wear high visibility clothing or reflective vests.
- b. Shall use reflective vests for flagging and night work.
- c. Must comply with the provisions of any state permits issued to the Affiliate.

Electric Power Generation, Transmission, and Distribution Work
(ref: 29 CFR 1910.269)

Supplier shall comply with all OSHA requirements for operation and maintenance of electric power generation, transmission and distribution lines and equipment including:

- Job briefing requirements
- Line clearance tree- trimming operations including brush chippers and chain saw use.
- Specific training including skills and techniques necessary to perform this work
- Hazardous energy control (lockout/ tag out) procedures
- Enclosed spaces
- Fall protection
- Tools and equipment including live-line tools
- Working on or near exposed energized parts
- Minimum approach distance
- Grounding for the protection of employees
- Work involving overhead lines including installing and removing lines
- Substation work activities including entry and job briefings

Line and substation workers contracted to work on the Affiliate's transmission and distribution system are required to also work in accordance with the safety rules outlined in the transmission, distribution, and substation sections of the Affiliate's Accident Prevention Manual (See Attachment B). In some cases, the Affiliate's safety rule may require more stringent measures than mandated by OSHA. In such circumstances, the Supplier shall comply with the more stringent rule. This does not apply to companies covered by separate mutual aid agreements.

Tree Suppliers working for Affiliates will be required to work in accordance with the latest American National Standard Institute (ANSI) safety requirements for tree care operations involving pruning, trimming, repairing, maintaining and removing trees and cutting brush.

Helicopter Regulations (ref: 29 CFR 1926.551, 1910.183)

Contracted helicopters shall comply with any applicable regulations of the Federal Aviation Administration.

- Briefing: Prior to each day's operation a briefing shall be conducted. This briefing shall set forth the plan of operation for the pilot and ground personnel.

- Personal protective equipment for employees shall consist of complete eye protection and hard hats secured by chinstraps.
- Loose fitting clothing likely to flap in the downwash, shall not be worn.
- Every practical precaution shall be taken to provide for the protection of the employees from flying objects in the rotor downwash. All loose material within 100 feet shall be secured or removed.
- No unauthorized person shall be allowed to approach within 50 feet of the helicopter when the rotor blades are turning.
- Whenever approaching or leaving a helicopter with blades rotating, all personnel shall remain in full view of the pilot and keep in a crouched position. Personnel shall avoid the area from the cockpit or cabin rearward unless authorized by the helicopter operator to work there.
- There shall be constant reliable communication between the pilot, and a designated person of the ground crew who acts as a signalman. This signalman shall be distinctly recognizable from other ground personnel.

Gas Distribution Operations and Personal Protective Equipment in Potentially Hazardous Atmospheres

All gas Suppliers must comply with applicable OSHA requirements, as well as the requirements of the U.S. Department of Transportation (DOT), including drug and alcohol misuse testing. Supplier employees who work on the Affiliate's gas transmission and distribution system are also required to comply with the specific gas safety procedures detailed in the Affiliate's Accident Prevention Manual (see Attachment B), and the Gas Operations & Maintenance Manual. In some cases, the Affiliate's safety rule or Standard Operating Procedure may require more stringent measures than mandated by OSHA or DOT. In such circumstances, the Supplier shall comply with the more stringent rule.

Worker protection is a key requirement on all gas projects. A copy of the Affiliate's procedures will be provided if the work involves encountering a potentially hazardous atmosphere requiring the use of personal protective equipment. This will include a copy of the Affiliate's task-specific Personal Protective Equipment Matrix (see Attachment C). This procedure describes specific requirements for working in an atmosphere, which may be hazardous due to the presence of natural gas or oxygen deficiency (asphyxiation hazard). This procedure is applicable to all phases of operation, maintenance and construction of the gas system.

SCHEDULE D

PRICING TERMS

The following rates will be in effect from service agreement execution through December 31, 2012.

Payment terms are [REDACTED].

Pricing

#	Component	Unit	Price Per Unit	Notes
A	Startup	N/A	[REDACTED]	
B	Management Fee	N/A	[REDACTED]	
C	Customer Incentive	Per refrigerator/freezer	[REDACTED]	This incentive will be paid to the customer for each refrigerator/freezer removed, up to 2 per customer.
D	Marketing & Customer Recruitment	Per customer participant	[REDACTED]	This is actually a suggested budget amount, not a true per unit fee. Supplier will invoice customer for actual marketing and advertising expenses incurred, on a "pass-through" basis.
E	Direct Implementation-Refrigerator/Freezer Fee	Per unit removed	[REDACTED]	Includes the cost of removal, transportation, and recycling.

SCHEDULE E

SPECIAL CONDITIONS

Supplier Employees and Subcontractors

Local resources will be engaged in the delivery of program services to the extent feasible and to the extent that the budget allows.

Two (2) types of subcontractors/suppliers will be used by Supplier in order to effectively deliver program services and supplement planned staff resources:

1. A contractor to remove refrigerators and freezers from customer dwellings and transport them to the recycling facilities.
2. An advertising agency to provide complete turn-key marketing, advertising, and promotion for the program.

Savings

Savings are deemed committed when the owner of the refrigerator/freezer has approved its removal. Committed savings become achieved savings when the refrigerator/freezer has been removed and delivered to the recycling facilities. Reported energy savings shall be net, applying a 90% factor to the gross savings figures.

Customer Qualifications and Permissions

The electric customers of record must be electric customers of NYSEG or RG&E.

Customers may not receive incentives from both NYSERDA and Customer for the same energy efficiency measure (“double-dipping”).

Supplier will obtain written permission from the electric customer of record to use their consumption data for program evaluation purposes.

Supplier will obtain verbal or online permission from the refrigerator/freezer owner and end use customer for an appointment for removal, and will obtain written approval on-site prior to removing the refrigerator/freezer.

Customer Incentive Payments

Customer incentive payments will be issued within 4 weeks of refrigerator/freezer removal.

Customer Concerns

Supplier will follow the guiding principle of: *When concerns are raised, deal with them right away.*

Standards applied will include:

- Every call will be addressed by a responsible Supplier individual on the same business day. The Supplier contact person who will be responsible for addressing their concern will describe what steps will be taken to resolve the matter, and the schedule for taking those steps on the same business day that the call originates;

In all cases, a confirming phone call to the customer will be made by Supplier after resolution is reported to insure that the customer's needs have been fully satisfied by our responder.

Launch & Closure

Supplier and Customer startup will begin with preparation for, and conducting, an in-person kickoff meeting.

Public announcement of the program will trigger the program start. All startup deliverables should be completed by the start date.

To ensure all savings are achieved during the [REDACTED] period, a final date to achieve committed savings will be set: [REDACTED]. After that date, no further customers will be recruited or qualified to participate in the program, unless the program is extended and available funding is increased.

Startup Deliverables

- Startup and ongoing contacts defined
- Define the geographic roll-out plan
- Contracts finalized with initial list of subcontractors needed to implement the program
- Authorization and other forms; marketing/outreach materials, leave-behind materials, notices/door hangers, training materials, websites, and other branded communications materials finalized
- FAQs finalized for initial use by Supplier and Customer, including for Customer website and for training
- Telephone scripts developed
- Training materials developed
- Procedures Manual finalized
 - Process flow diagrams (for example, customer recruitment & approvals, customer call-handling, removal, transportation, and recycling of existing equipment, data management and reporting)

- Customer recruitment plan, including strategy to ensure a mix of geographic locations to ensure fair and equitable access to the program of customers throughout the NYSEG and RG&E service territories
- Criteria and methods used to qualify customers for program participation
- Training plan developed for employees of Supplier, Customer, Supplier's subcontractors, and Customer's contractors
- QA/QC plan
- Required Customer CCS extract content defined and first extract provided to Supplier
- Supplier database customization, including incorporation of formulas and tables from the NY Technical Manual, defined, finalized, and tested
- Supplier database access provided to Customer and tested
- Data transfers between Supplier and Customers defined and tested
- Management reports for Customer use and PSC monthly/quarterly/annual Scorecard reports designed, dry run production test completed, and data and savings calculations verified
- Initial training conducted, to the extent required prior to public startup

Quality Assurance/Quality Control

Supplier will attest to the use of NY PSC approved inputs and methods for all energy savings calculations.

Supplier will perform sufficient on-site inspections to ensure the quality of refrigerator/freezer removals.

Supplier will perform sufficient on-site inspections of the recycling facilities to ensure that refrigerators/freezers are properly delivered and recycled, and that related documentation is complete.

Supplier will conduct post-removal customer satisfaction surveys.

Supplier will inform Customer of the dates when refrigerator/freezer removals will be conducted, to enable Customer to observe those activities on-site.

Data Management

1. Provide access to Supplier's enrollment, tracking, and data management system.
2. Provide Supplier's data management system host support at Supplier's host location, with unlimited web-based access available to NYSEG, RG&E, Iberdrola USA (e.g. Auditing, IT) personnel as well as any and all Company Refrigerator and Freezer Recycling Program partners¹, but only through designated Customer portal provided by Supplier.

¹ Company Program partners: Program implementation contractors, administrative service providers, measurement and verification contractors, etc. under contract to NYSEG or RG&E in support of NYSEG/RG&E's Refrigerator and Freezer Recycling Program.

3. Configure Supplier's data management system and web application(s) to ensure adherence to NYSEG/RG&E mutually agreed business requirements for operability, functionality, performance, availability, data capture, reporting and data extract, security and backup.
4. Develop and deliver all training materials and system documentation and provide training to the NYSEG/RG&E personnel as well as NYSEG/RG&E's Program partners as reasonably required.
5. Provide a user support line staffed Monday through Friday 9am to 5pm, plus an off-hours priority call-back telephone contact mechanism with incoming calls/messages to be returned within 1 hour, Monday through Friday, 8am – 5pm EST.
6. All data management and tracking hardware and software shall be $\geq 99.5\%$ available for use minimally Monday through Friday, 7AM to 6PM, and Saturday 8AM to noon.
7. 100% data integrity and confidentiality is to be provided at all times, based upon Company requirements. All data stored on the systems by the Company or by any of its Program partners is the sole property of the Companies and may not be used for any purpose except those specifically authorized by the Companies.
8. All data stored in the data management and tracking system and the web in support of the Companies' Refrigerator and Freezer Recycling Program is to conform to standard information systems and I.T. risk management practices.
9. Adequate security and data access rules will be implemented to provide appropriate data access restrictions amongst the various Program partners who may have access to the data management and tracking system, to enable them to conduct necessary activities without accessing data not intended for them.
10. Assure prompt resolution of any hardware or software performance, reliability, availability and data integrity problems that may develop.
11. Promptly respond to telephone calls and email contacts from the Companies regarding the data management and tracking system and/or website.
12. Provide system response time that meets NYSEG/RG&E expectations for online processing during all standard hours of availability.

SCHEDULE F
KEY PERSONNEL

Organization	Key Personnel Name	Role
[REDACTED]	[REDACTED]	[REDACTED]

SCHEDULE G

SUBCONTRACTORS

Organization	Key Personnel Name	Role
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

SCHEDULE H

PLAN AND SCHEDULE OF WORK

Key Milestones

- Kickoff meeting on or around [REDACTED].
- Program launch, including press release, on or around [REDACTED].
- First refrigerator/freezer removal completed in [REDACTED].
- Final project committed no later than December [REDACTED].
- Minimum goals for savings achieved by [REDACTED]:

	Savings (MWh)		
	2011	2012	Total
NYSEG	4,361	4,361	8,722
RG&E	4,361	4,361	8,722
Total	8,722	8,722	17,444