PERFORMANCE ASSURANCE SUPPORT SERVICES AGREEMENT

This Performance Assurance Support Services Agreement (this "PASS Agreement"), is by and between Schneider Electric Buildings Americas, Inc. ("ESCO"), and the Board of Education of the Township of Union Public Schools ("Customer") dated _____, 2020 whereby ESCO agrees to provide and perform the services set forth in the Contract Documents including the Schedules and Exhibit listed below and incorporated fully herein, subject to the terms and conditions set forth herein.

Schedule 1: Terms & Conditions
Schedule 2: Scope of Services
Schedule 3: Performance Guarantee
Schedule 4: Measurement & Verification Plan
Schedule 5: Customer Responsibilities for Performance Guarantee
Exhibit A: Performance Assurance Support Services

	Board of Education of the Township of Union Public Schools		**Schneider Electric Buildings Americas, Inc.**
By	_____ (Signature)	By	_____ (Signature)
Print Name	_____	Print Name	_____
Title	_____	Title	_____
Date	_____	Date	_____

DEFINITIONS

1. "Actual Savings" is defined as the sum of the total savings realized using the procedures defined in Schedule 4 plus all adjustments and non-measured savings.

2. "Annual Savings Guarantee" is the amount of energy savings guaranteed by ESCO for a twelve (12) month period beginning on the Savings Guarantee Commencement Date and any subsequent twelve (12) month anniversary thereafter.

3. "BPU" is the New Jersey Board of Public Utilities.

4. "Contract Documents" consist of the PASS Agreement with the terms and conditions set forth herein, the Schedules and Exhibit identified above, other documents listed in the PASS Agreement and any mutually agreed upon written modification issued after execution of the PASS Agreement, as modified in a change order, and the Energy Services Contract between the Parties, but only to the extent of the rights and remedies set forth therein. The intent of the Contract Documents is to include all items necessary for the proper execution and completion by ESCO of the Scope of Services, Performance Guarantee and Measurement and Verification Plan described herein. The Contract Documents are correlative and complimentary, and ESCO'S performance shall be required only to the extent consistent with the Contract Documents.

5. "Day" as used herein shall mean calendar day unless otherwise specifically designated.

6. "ECM" shall mean an Energy Conservation Measure.

7. Energy Services Contract shall mean that certain Energy Services Contract entered into between ESCO and Customer dated _____.

8. "Excess Savings" is the amount of Actual Savings in excess of the Performance Guarantee to date, including any savings achieved during construction.

9. "Guarantee Year" is the twelve (12) month period beginning on the Savings Guarantee Commencement Date and each subsequent twelve (12) month anniversary thereafter.

10. "M&V Plan" shall be the Measurement and Verification Plan set forth in Schedule 4.

11. "Performance Guarantee" is the sum of the Annual Savings Guarantee for each year of the guarantee term as set forth in Schedule 3 or unless terminated earlier in accordance with the Contract Documents.

12. "Performance Period" is defined as the period beginning on the Savings Guarantee Commencement Date and extending through the time period as defined in the Performance Guarantee.

13. "Project" "ECM" or "ECMs" all refer to the scope of work as set forth in Schedule A of the Energy Services Contract.

14. "Savings Guarantee Commencement Date" means the first day of the first utility billing period following the month in which ESCO delivers to Customer the project warranty letter.

SCHEDULE 1: TERMS & CONDITIONS

A. TERM

The "Initial Term" of this PASS Agreement shall consist of the Installation Period of the Energy Services Contract plus three (3) additional years ("Year 1" Year 2" and "Year 3"). After the Initial Term, Customer may terminate the PASS Agreement at any time prior to thirty (30) days to the end of the then current term, otherwise it shall automatically renew for additional one (1) year periods thereafter.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, OR IN ANY CONTRACT DOCUMENT, IN THE EVENT THAT THE PASS AGREEMENT IS CANCELED OR TERMINATED BY CUSTOMER FOR ANY REASON, THE PERFORMANCE GUARANTEE SET FORTH IN SCHEDULE 3 SHALL BE DEEMED TO HAVE BEEN MET AND FULFILLED NULL AND VOID AND OF NO FURTHER FORCE OR EFFECT AS OF THE EFFECTIVE TERMINATION DATE OF THE PASS AGREEMENT AND ESCO SHALL HAVE NO FURTHER OBLIGATIONS OR LIABILITIES ASSOCIATED WITH SUCH PERFORMANCE GUARANTEE.

B. SERVICE, SCOPE, AND PAYMENT

ESCO shall provide the Performance Assurance Support Services (the "Services") to Customer as set forth in Exhibit A, Section 1 during the Initial Term.

After the end of Initial Term and each subsequent term thereafter, Customer may either (1) continue with the same level of Services as set forth in the previous term, (2) change the Services level by selecting one or more of the options as set forth in Exhibit A, Section 2 of the PASS Agreement, or (3) terminate the PASS Agreement and the Performance Guarantee in accordance with the termination provisions contained herein.

The available Services options may be amended from time to time at the sole discretion of ESCO.

1. The total of all Initial Term contract payments shall be $239,400 consisting of an Installation Period, a Year 1 period, a Year 2 period and a Year 3 period. The contract payments for each period during the Initial Term shall be as set forth in Exhibit A, Section 1. The Installation Period amount shall be included and paid by Customer in progress payments as set forth in Schedule of Values in the Energy Services Contract, unless another payment arrangement mutually agreed upon.

2. After the Installation Period (including for Year 1), payment for each year's PASS Agreement is due within thirty (30) days of the start of that year's term. ESCO reserves the right to add 1.5% per month to any balance due beyond thirty (30) days of invoice date. Customer acknowledges and understands that all charges are exclusive of any applicable federal, state, or local use, excise, sales taxes or similar fees whether charged to or against ESCO or Customer for the Services. Customer may utilize purchase orders for ease of administration and ordering purposes in implementation of this PASS Agreement (to include: specific products or services, scope of work, quantities, price and delivery terms only), however, no pre-printed, additional, inconsistent or different terms contained or referenced in such purchase order shall have any force or effect, it being the intent of the parties that the terms of this PASS Agreement shall apply.

3. After the Initial Term, the prices set forth in Exhibit A shall be adjusted upwards annually in accordance with the increase in Consumer Price Index ("CPI").

C. ACCESS

Services provided under the PASS Agreement will be performed during normal working hours (normal working hours shall mean 8:00 a.m. to 5:00 p.m., local time, Monday through Friday, excluding ESCO holidays) unless specifically stated otherwise in the PASS Agreement. However, ESCO may have the need to access Customer facilities during non-normal working hours and on holidays in order to identify and troubleshoot energy savings issues. Therefore, Customer will provide and permit ESCO reasonable access to Customer's facility and equipment to the extent necessary for ESCO'S personnel to perform the Services. Customer shall also provide access to key personnel to discuss facility operating requirements. ESCO will use commercially reasonable efforts to minimize any disturbance with Customer's operations while providing the Services.

ESCO understands and acknowledges that the site of this Service Agreement is an active school and that all reasonable efforts wills be made to secure the safety of students and staff. ESCO will provide at least one business days' notice to Customer concerning regular and non-normal working hours service appointments. ESCO shall have all employees performing Services on the site of the school facilities wear a photo ID identifying their employment with ESCO. ESCO shall comply with all directives of the Customer regarding parking and entry to school facilities.

D. RELATIONSHIP

Customer and ESCO are independent contracting parties. Nothing in the PASS Agreement shall be construed to make either party or any of its employees, the partner, joint venture, agent, or legal representative of the other for any purpose whatsoever, nor grants either party any authority to assume or create any obligation on behalf of or in the name of the other party. As an independent contractor, the mode, manner, method and means employed by ESCO in the performance of the terms and conditions of the PASS Agreement shall be of ESCO'S selection and under the sole control and direction of ESCO. Under the terms of the PASS Agreement, neither Customer nor any company in which it owns a controlling interest shall be required to furnish ESCO or any of its employees with any benefits, including but not limited to severance benefits, unemployment compensation or worker's compensation.

E. INSURANCE AND INDEMNIFICATION

Customer shall maintain insurance coverage, including without limitation, Workers' Compensation and Employer's Liability at statutory limits, Automobile Liability covering all owned, hired and other non-owned vehicles, and Commercial General Liability covering public liability and property damage with limits generally required for its respective industry and operations with not less than $1,000,000 minimum coverage per occurrence. Such insurance shall be with reputable and financially responsible carriers authorized to transact business in the state in which the facility is located and the services are being performed with an A.M. Best's rating of at least A- VII.

ESCO shall maintain insurance and provide indemnification in accordance with the provisions of the Insurance and Indemnification Rider that is annexed hereto and made a part of this Agreement. For purposes of the Insurance and Indemnification Rider, the term "Contractor" shall refer to ESCO and the term "Owner" shall refer to Customer, the Union County Board of Education.

F. LIMITATION OF LIABILITY

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGE OF ANY KIND, INCLUDING WITHOUT LIMITATION, LOSS OF REVENUE OR PROFIT REGARDLESS OF THE FORM OF ACTION OR THEORY OF RECOVERY, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE TOTAL CUMULATIVE LIABILITY OF ESCO WITH RESPECT TO THE PASS AGREEMENT OR ANYTHING DONE IN CONNECTION THEREWITH, SUCH AS THE USE OF ANY DELIVERABLE FURNISHED HEREUNDER SHALL NOT EXCEED THE PRICE PAID FOR THE SERVICE PERFORMED THAT GIVES RISE TO THE CLAIM ON WHICH SUCH LIABILITY IS BASED. CUSTOMER AGREES TO THE FOREGOING TO THE EXTENT PERMITTED BY THE CONSTITUTION AND LAWS OF THE STATE OF NEW JERSEY.

G. EXCUSABLE DELAY

Any delay or failure of either party to perform its obligations hereunder (with the exception of payment) shall be excused, and time to perform extended, and shall not be held liable if and to the extent that the delay or failure to perform is caused by an event or occurrence beyond the reasonable control of the party whose performance is interfered with, and without its fault or negligence and which by the exercise of due diligence, said party is unable to prevent.

DISCLAIMER: Customer acknowledges that the prevailing COVID-19 epidemic/pandemic and the evolving situation surrounding the same may trigger stoppages, hindrances and/or delays in ESCO's (or its subcontractors' or suppliers') ability or capacity to perform the contracted work and/or to produce, deliver, install or service any applicable products, irrespective of whether such stoppages, hindrances and/or delays are due to measures imposed by authorities or deliberately

implemented by ESCO (or its subcontractors or suppliers) as preventive or curative measures to avoid harmful contamination or exposure of ESCO's (or its subcontractors' or suppliers') employees. Customer therefore recognizes that such circumstances shall be considered as a cause for excusable delay and shall not expose ESCO to contractual sanctions (including without limitation delay penalties, liquidated damages or other damages) or termination for default.

H. SUCCESSORS

Neither the PASS Agreement nor any rights arising hereunder may be assigned, pledged, transferred or hypothecated by ESCO without the consent of Customer; such consent cannot be unreasonably withheld. No Work performed pursuant to the PASS Agreement may be subcontracted in whole or in part by ESCO without the prior written consent of Customer; such consent cannot be unreasonably withheld.

I. ENTIRE AGREEMENT

The PASS Agreement sets forth the entire understanding between the parties and supersedes all prior oral or written understandings relating to the subject matter herein. The PASS Agreement may not be altered or modified in any way except by written instrument signed by a duly authorized representative of each party.

J. SEVERABILITY

If any provision of the PASS Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

K. GOVERNING LAW

The PASS Agreement will be governed, interpreted and construed by, under and in accordance with the laws, statutes and decisions of the state in which the Services are to be performed, without regard to its choice of law provisions. Venue shall be in the federal, state or municipal courts serving the county in which the Services are performed.

L. CHANGE OF WORK

If ESCO or Customer makes a change to the Project beyond the original scope which results in a change in the Actual Savings, the Guarantee in Schedule 3 will be updated accordingly and a revised M&V Plan, accounting for those changes, will be executed and the resulting savings will be included in the Actual Savings.

M. TERMINATION OF THE PASS AGREEMENT

12.1 If Customer fails to make payments to ESCO as required in the Energy Services Contract, through no fault of ESCO, ESCO may, upon seven (7) days written notice to Customer, terminate the PASS Agreement.

12.2 If Customer (1) fails or neglects to maintain Customer responsibilities as set forth in Schedule 5, or (2) fails to fulfill a material obligation or responsibility under the Contract Documents including the Energy Services Contract, ESCO may, after delivery of written notice and providing Customer seven (7) days to cure, terminate the PASS Agreement, including, but not limited to the termination of any obligation of ESCO to provide the Performance Guarantee.

12.3 If ESCO fails to fulfill a material obligation or responsibility under the Contract Documents, Customer, after delivery of written notice and providing ESCO seven (7) days to cure, may terminate the PASS Agreement, including, but not limited to the termination of the Performance Guarantee.

12.4 Any remedies provided for in this Article M shall not be exclusive of any additional remedies available to a party pursuant to the PASS Agreement, in equity or in the law.

SCHEDULE 2: SCOPE OF SERVICES

ESCO shall provide the Measurement and Verification Services (the "Services") to Customer as set forth in Exhibit A, Section 1 as described below.

Measurement and Verification with Savings Reporting

ESCO will perform the measurement and verification as outlined in the M&V Plan and will update the Energy Savings and Performance report on a quarterly basis. This can only be completed if utility bills and other necessary information is made available per the PASS Agreement. Notification of report updates will be sent via email with a link back to the ESCO provided website to the contacts specified by the Customer. Changes to that contact list can be made at any time. Customer will need to contact ESCO with the new contact list and changes will be made before sending the next email update. If bills and other necessary information are not provided, per the PASS Agreement, ESCO is not responsible for providing the Energy Savings and Performance report for that time period.

Remote Energy Management, Training & Technical Support

ESCO will provide the number of hours of remote energy management support as reflected in Exhibit A, Sections 1 and 2. This time can be used for any of the following activities including: scheduling, system adjustment, on demand remote energy management system training or technical support. All Remote Support is client initiated and it is the expectation of ESCO that if a client does not remain on the phone for the duration of the time required to accomplish the task, the customer will accept the time, up to the limit of the hours not used, that the ESCO representative documents as used for that task. If all hours are exhausted, additional hours can be purchased at a negotiated rate.

Remote System Monitoring & Reporting

ESCO will remotely access your BAS at the interval reflected in Exhibit A, Sections 1 and 2. During each session, the system will be inspected and variables integral to ECM performance will be compared to the contractual agreement. Additionally, ESCO will inspect the system for other areas of malfunction or energy waste and report those findings for Customer review. All findings will be reported, and that report delivered to customer electronically. ESCO will notify Customer if remote access is not available. Customer is responsible for restoring remote access and notifying ESCO. ESCO is not responsible for providing the planned service session if remote access is unavailable.

Remote System Optimization & Reporting

Schneider Electric will remotely access your energy management system 2 times during Year 1 to perform this service. During each session, the system will be inspected, and variables will be compared to a pre-approved list to determine if the system is operating correctly. Any findings that contradict the pre-approved list will be corrected. Additionally, Schneider Electric will inspect the system for other areas of malfunction or energy waste and report those findings for Customer review. All findings, corrected or not corrected, will be reported and that report delivered to customer. Schneider Electric will notify Customer if remote access is not available Customer is responsible for restoring remote access and notifying Schneider Electric. Schneider Electric is not responsible for providing the planned service session if remote access is unavailable.

Training

ESCO will provide the number of hours as reflected in Exhibit A, Sections 1 and 2 of on-site training and it will be conducted during On-Site visits. ESCO and Customer will work to schedule a mutually acceptable date for each visit. Customer will be responsible for providing access to the training location and paying for any fees associated with that location. The training location must include internet and Customer BAS access. ESCO does not impose any restrictions on the number of Customer employees attending training sessions so long as the location will accommodate that number.

On-Site Visits

ESCO will provide On-Site Energy Consulting consisting of the number of site visits per year as reflected in Exhibit A, Sections 1 and 2. This service will include a site assessment to determine current conditions and identify areas of improvement with ECMs and other areas such as maintenance. Each site visit will be documented in a report indicating the findings and outlining a plan for further improvement. Site visit hours will vary depending upon the needs of that particular visit. Customer is responsible for providing access to all mechanical and electrical equipment and any supervision required by Customer. Additional site visits may be purchased at a negotiated price. If customer requests a site visit, site visits must be requested fourteen (14) days or more prior to the requested date. ESCO and Customer will work to schedule a mutually acceptable date for each visit.

Resource Advisor

Resource Advisor (RA) is ESCO's enterprise-level application providing Customer customizable and secure access to utility invoices, data reports, and summaries to drive Customer's energy and sustainability programs. RA provides functionality for billing and sustainability services access along with modules for projects and scenarios and business analytics. RA combines quality assurance and data capture capabilities of utility information into one energy and carbon management solution. This RA package also includes linking to Energy Star Portfolio Manager (the main interface for the EPA's Energy Star program). Customer's monthly consumption data is extracted from energy invoices and uploaded to Portfolio Manager, reducing time and human error and providing up-to-date building Energy Star scores. Schneider Electric will gather all necessary documentation to pursue certification for up to 6 schools who achieve an Energy Star score of 75 or greater, including site visits, data collection and verification, professional engineer review and submission of application, and building Energy Star plaque.

SCHEDULE 3: PERFORMANCE GUARANTEE

The Performance Guarantee provided by ESCO will be as follows:

Year	Measured Savings	Non-Measured Savings	Annual Guaranteed Savings	Cumulative Guaranteed Savings
0	$0	$0	$0	$0
1	$185,597	$606,465	$792,061	$792,061
2	$189,765	$618,305	$808,070	$1,600,132
3	$194,028	$630,382	$824,409	$2,424,541
4	$198,386	$642,699	$841,085	$3,265,626
5	$202,842	$655,263	$858,105	$4,123,731
6	$207,399	$588,430	$795,828	$4,919,560
7	$212,058	$599,748	$811,806	$5,731,365
8	$216,822	$611,289	$828,111	$6,559,476
9	$221,693	$623,057	$844,750	$7,404,226
10	$226,673	$635,057	$861,730	$8,265,956
11	$231,766	$647,293	$879,059	$9,145,015
12	$236,973	$659,771	$896,744	$10,041,759
13	$242,298	$672,495	$914,792	$10,956,552
14	$247,742	$685,470	$933,212	$11,889,764
15	$253,309	$698,701	$952,009	$12,841,773
16	$259,001	$296,132	$555,133	$13,396,905
17	$264,821	$302,864	$567,684	$13,964,590
18	$270,772	$309,749	$580,520	$14,545,110
19	$276,857	$316,790	$593,647	$15,138,757
20	$283,078	$323,992	$607,071	$15,745,827
Total	$4,621,879	$11,123,948	$15,745,827	

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, OR IN ANY CONTRACT DOCUMENT, IN THE EVENT THAT THE PASS AGREEMENT IS CANCELED OR TERMINATED BY CUSTOMER FOR ANY REASON, THE PERFORMANCE GUARANTEE SET FORTH IN SCHEDULE 3 SHALL BE DEEMED TO HAVE BEEN MET AND FULFILLED AS OF THE EFFECTIVE TERMINATION DATE OF THE PASS AGREEMENT AND ESCO SHALL HAVE NO FURTHER OBLIGATIONS OR LIABILITIES ASSOCIATED WITH SUCH PERFORMANCE GUARANTEE.

The procedure used to calculate savings is described in Schedule 4.

GUARANTEED SAVINGS RECONCILIATION

Customer, if required, will send ESCO all necessary utility or energy data as set forth in Schedule 5 herein. Within sixty (60) days of receipt of such information for the previous Guarantee Year, ESCO will determine the Actual Savings for such Guarantee Year hereafter defined as "Savings Reconciliation".

In the event the Actual Savings for the corresponding twelve (12) months are less than the Annual Savings Guarantee, ESCO will pay Customer the difference between the Annual Savings Guarantee and the Actual Savings for the corresponding twelve (12) months ("Savings Shortfall"). ESCO will make payments for any Savings Shortfall to Customer within thirty (30) days of that year's Guaranteed Savings Reconciliation. In the event of Excess Savings, such Excess Savings shall be used to offset any Shortfall Payment owed by ESCO for Year 1.

SCHEDULE 4: MEASUREMENT & VERIFICATION PLAN

PROJECTED ANNUAL SAVINGS

The Performance Guarantee as established in Schedule 3 shall consist of savings from multiple scopes of work. The projected savings from each scope of work is presented in the table below.

Site	Annual Projected Savings				
	Electric		Natural Gas	Water	Solar Production
	kWh	kW	Therms	kgal	kWh
Administration	43,045	76	5,377	43	0
Battle Hill ES	91,324	394	2,374	168	206,942
Burnet MS	254,933	671	21,319	390	490,672
Connecticut Farms ES	80,331	236	5,545	193	185,312
Field House	17,486	36	1,094	0	0
Franklin ES	93,611	234	16,601	168	102,054
Hamilton ES	40,310	114	1,767	0	0
Hannah Caldwell ES	311,112	551	17,491	281	543,816
Jefferson ES	134,555	392	7,336	156	168,676
Kawameeh MS	215,035	663	6,517	258	264,353
Livingston ES	97,006	302	17,458	152	101,116
Union High School	666,138	117	32,530	984	1,457,963
Washington ES	123,390	326	15,790	205	70,886
Total	2,125,231	4,036	145,822	2,956	3,591,790

The projected savings in the table above are provided for reference only and are not intended to construe a savings guarantee by meter, facility, or energy unit. The savings guarantee is fully defined in Schedule 3.

ENERGY, WATER, AND OPERATIONS & MAINTENANCE (O&M) RATE DATA

The cost of energy in any period will be determined by applying the rates as defined below ("Baseline Energy Rates"), or the actual energy rates during the period, at the discretion of ESCO, to the energy used in a given period for each fuel type. These rates will be escalated at 2.2% for Electric and 2.4% for Natural Gas beginning in Year 2.

Utility Company:	PSEG		
Rate Schedule:	LPLS		
Component	Charge	Unit	Description
PSEG Service	$370.8	per Month	
Annual Demand	$3.761709	kW	All On Peak kW
Summer Demand	$8.917300	kW	All On Peak kW, June-September
kWh On Peak	$0.005335	kWh	All kWh, October-May
kWh Off Peak	$0.005335	kWh	All kWh, June-September
Societal Benefits	$0.007755	kWh	All kWh
Supply kWh	$0.110	kWh	All kWh
Generation kW & Transmission Adjustment	-$109.67	per Month	

Utility Company:	Elizabethtown Gas		
Rate Schedule:	ET-GDS		
Component	Charge	Unit	Description
Service Charge	$28.90	per Month	
Demand Charge	$0.8060	Therm of Demand	Per Therm of Demand
Energy Charge	$0.1893	Therm	All Therms
CAC	$0.0407	Therm	All Therms
Supply Charge	$0.4750	Therm	All Therms

Demand Charge is a fixed reservation or capacity charge based on customer's maximum weather-normalized peak day consumption in Therms. There are no savings expected, nor will any be included, for the purposes of savings calculations. The Demand Therms for each month's bill will be considered the Demand Therms for the Baseline as well.

COMMON ECM ASSUMPTIONS

WEATHER DATA SOURCE

Data for weather compensation adjustments will be actual climate data obtained from the National Weather Service Station at Newark, NJ (EWR). In the event the specified weather station is de-activated, weather data will be collected from the nearest weather station with suitable observations. If the data source becomes unavailable or a superior source is identified, ESCO may select an alternative data source with Customer's notification.

ANNUAL CALENDAR OF EVENTS

Provided below is a table summarizing the annual calendar of events that will be used as a basis in calculations (taken from the 2019-2020 School Calendar), unless otherwise specified. In the event that there are any changes or deviations to this annual calendar, an appropriate adjustment will be made in accordance with the "Adjustment Schedule" set forth in Schedule 5. Note that this calendar/schedule reflects a typical school calendar/schedule where instruction occurs in the classroom.

Date(s)	Event
Sept 2	Closed - Labor Day
Sept 5	First day of School
Sept 30	Closed - Rosh Hashanah
Oct 9	Closed - Yom Kippur
Oct 14	Closed - Columbus Day
Oct 23	Half Day - Staff Development
Nov 5	Closed - Election Day
Nov 7-8	Closed - NJEA Convention
Nov 27	Half Day - Thanksgiving Recess
Nov 28-29	Closed - Thanksgiving Recess
Dec 11	Half Day - Staff Development
Dec 20	Half Day - Christmas Recess
Dec 23-31	Closed - Christmas Recess

Date(s)	Event
Jan 1	Closed - New Year's Day
Jan 8	Half Day - Staff Development
Jan 20	Closed - Martin L King Jr. Day
Jan 22-28	Half Days (UHS Only)
Feb 12	Half Day - Staff Development
Feb 17	Closed - President's Day
Mar 18	Half Day - Staff Development
Apr 10	Closed - Good Friday
Apr 13-17	Closed - Spring Recess
May 22	Half Day - Memorial Day Weekend
May 25	Closed - Memorial Day
June 19-24	Last 4 Half Days
June 24	Last Day of School

Calendar plans for 185 School Days including 5 anticipated school closing due to inclement weather.

BUILDING OCCUPANCY SCHEDULES

Provided below is a table summarizing the building occupancy schedules used within the calculations, unless otherwise specified. In the event that there are any changes or deviations to this occupancy schedule, an appropriate adjustment will be made in accordance with the Adjustment Schedule set forth in Schedule 5. Note that this calendar/schedule reflects a typical school calendar/schedule where instruction occurs in the classroom.

Facility	Day Type	Daily Schedule
Admin Building		
Offices/Admin	Monday-Friday Weekend/Holiday	7:00 AM - 5:00 PM No Operation

Facility	Day Type	Daily Schedule
High School		
Classroom	Monday-Friday Weekend/Holiday	7:00 AM - 5:00 PM No Operation

Gym	Monday-Friday Weekend Holiday	7:00 AM - 5:00 PM 10:00 AM - 3:00 PM No Operation
Cafeteria	Monday-Friday Weekend Holiday	7:00 AM - 7:00 PM 10:00 AM - 3:00 PM No Operation
Auditorium	Monday-Friday Weekend Holiday	7:00 AM - 7:00 PM 10:00 AM - 3:00 PM No Operation
Library	Monday-Friday Weekend/Holiday	7:00 AM - 5:00 PM No Operation
Offices/Admin	Monday-Friday Weekend/Holiday	7:00 AM - 5:00 PM No Operation

Facility	Day Type	Daily Schedule
All Middle Schools		
Classroom	Monday-Friday Weekend/Holiday	7:00 AM - 4:00 PM No Operation
Gym	Monday-Friday Weekend Holiday	7:00 AM - 5:00 PM 10:00 AM - 2:00 PM No Operation
Cafeteria	Monday-Friday Weekend Holiday	7:00 AM - 5:00 PM 10:00 AM - 2:00 PM No Operation
Auditorium	Monday-Friday Weekend Holiday	7:00 AM - 5:00 PM 10:00 AM - 2:00 PM No Operation
Library	Monday-Friday Weekend (Kawahmee Only) Holiday	7:00 AM - 5:00 PM 10:00 AM - 2:00 PM No Operation
Offices/Admin	Monday-Friday Weekend/Holiday	7:00 AM - 5:00 PM No Operation

Facility	Day Type	Daily Schedule
All Elementary Schools		
Classroom	Monday-Friday Weekend/Holiday	7:00 AM - 4:00 PM No Operation
Gym	Monday-Friday Weekend/Holiday	7:00 AM - 4:00 PM No Operation
Cafeteria	Monday-Friday Weekend/Holiday	7:00 AM - 4:00 PM No Operation
Auditorium	Monday-Friday Weekend/Holiday	7:00 AM - 4:00 PM No Operation
Media Center	Monday-Friday Weekend/Holiday	7:00 AM - 4:00 PM No Operation
Offices/Admin	Monday-Friday Weekend/Holiday	7:00 AM - 4:00 PM No Operation

HVAC systems will be engaged prior to start of occupied times in order to meet occupied setpoints by start times listed above. All No Operation days above will be set at unoccupied temperatures.

STANDARDS OF SERVICE AND COMFORT

Provided below is a table summarizing the temperature setpoints used within the calculations, unless otherwise specified. Customer agrees to operate the conditioned spaces in the facilities within the temperature ranges scheduled in the table below. In the event that there are any changes or deviations to these standards of service and comfort, an appropriate adjustment will be made in accordance with the Adjustment Schedule set forth in Schedule 5.

	Heating	Cooling
Occupied	70°F	74°F
Unoccupied	55°F	85°F

OTHER BUILDING OPERATIONAL REQUIREMENTS

The CHP system savings are based on no more than 60 hours per year of downtime.

Solar Savings are based on the Solar Production estimates in the Projected Savings table above. Actual savings may vary due to installation specifics, actual irradiance, snowfall, and maintenance.

MEASUREMENT & VERIFICATION DETAILS

MEASURED SAVINGS: OPTION C – WHOLE TERM

A. Overview of M&V Plan, and Savings Calculation
B. Energy Savings Calculations
C. Key Parameters Measurement Strategy
D. Parameter Estimates
E. Cost Savings Calculations

A. Overview of M&V Plan, and Savings Calculation

The method of determining energy savings described in this section uses "Option C – Whole Facility (Main Meter Measurement)" as described in the International Measurement and Verification Protocol (IPMVP Volume I, EVO 10000-1:2012). The remainder of this section provides the energy savings calculations, the key parameter measurements that will be conducted, the parameters that will be estimated and those values, and how cost savings will be calculated.

Guaranteed Meters

The following meters will be used to measure actual energy consumption for both the base year and guarantee periods.

Meter Name	Account	Utility Type	Utility Company	Rate	Units
Hannah Caldwell Electric	4245765518	Electric	PSEG	LPLS	kWh, kW
Hannah Caldwell Gas	3095585651	Natural Gas	Elizabethtown Gas	ET-GDS	Therms
High School Electric	4245765305	Electric	PSEG	LPLS	kWh, kW
High School Gas 1	7206808430	Natural Gas	Elizabethtown Gas	ET-GDS	Therms
High School Gas 2	5856804651	Natural Gas	Elizabethtown Gas	ET-GDS	Therms
Burnet Middle Electric	4245765402	Electric	PSEG	LPLS	kWh, kW
Burnet Middle Gas	9113603570	Natural Gas	Elizabethtown Gas	ET-GDS	Therms

Building Summary

The following table lists the buildings that were served by guarantee meters during the base year period.

Building Name	Area (ft^2)
Union High School	358,161
Burnet Middle School	167,163
Hannah Caldwell Elementary School	76,190

B. Energy Savings Calculations

Provided within this section is an explanation of the calculations that will be used to perform energy savings calculations for this particular ECM.

Overview of Savings Methodology

Energy savings will be measured by comparing the Performance Period's total energy consumption and demand to the total energy consumption and demand for the same area in the base year period by utilizing energy meter data. Base year energy and demand will be adjusted for differences in weather, facility operation and facility modifications to estimate how much energy would have been used in the guarantee period if the energy conservation measures had not been implemented. The energy saved is the difference between the adjusted base year consumption and the Performance Period consumption, including solar production. The demand saved is the difference between the adjusted base year demand and the Performance Period demand. This process will be followed for each fuel type involved in the guarantee.

Equations and Analysis of Energy Savings

Savings are calculated as the difference in energy usage from the baseline conditions after adjusting for all necessary changes, and the Performance Period conditions. This is shown in Equation 1 below:

Equation 1 – Energy Consumption Savings

$$E_{save} = E_{Baseline} - E_{Performance}$$

Where,

E_{save} = Energy savings
$E_{Baseline}$ = Adjusted energy usage of facility equipment pre-implementation
$E_{Performance}$ = Energy usage of facility equipment post-implementation

The baseline is that set of parameters that describes both the energy consumed in the base year and the conditions that caused that consumption to occur. This set of parameters includes utility consumption, facility use information, weather data and other information as may be necessary to describe the base year conditions. In addition, the baseline includes certain mathematical values, calculated by a model, that are used to correlate the base year energy consumption with the factors that caused that consumption and is defined by Equation 2 below:

Equation 2 – Baseline Energy Use

$$E_{Baseline} = \sum_{i=1}^{n} C_D \times T_i + C_H \times HDD_i + C_C \times CDD_i + C_O \times OCC_i + CO_i + CM_i$$

Where,

n = Number of billing periods in year.
$E_{Baseline}$ = Adjusted baseline period consumption
C_D = A constant representing units of consumption per billing period day
T_i = Number of days in billing period
C_H = A constant representing units of consumption per heating degree day
HDD_i = Heating degree days in the current billing period
C_C = A constant representing units of consumption per cooling degree day
CDD_i = Cooling degree days in the current billing period
C_O = A constant representing units of consumption per occupied day
OCC_i = Occupied days in the current billing period
CO_i = Offset for the current billing period
CM_i = Other adjustments for the current billing period

Customer agrees to accept modifications to this baseline that are necessary to account for changes in the facilities and their use which may have occurred prior to the execution of this agreement but come to the attention of ESCO after the execution of this agreement. Typical adjustments are provided in detail in Schedule 5.

Demand savings are computed similarly to the consumption savings, as shown by Equation 3 below:

Equation 3 – Peak Demand Savings

$$D_{save} = D_{Baseline} - D_{Performance}$$

Where,

D_{save} = Demand savings
$D_{Baseline}$ = Adjusted energy demand of facility equipment pre-implementation
$D_{Performance}$ = Energy demand of facility equipment post-implementation

Adjusted base year demand is calculated as demonstrated in Equation 4 below:

Equation 4 – Baseline Peak Demand

$$D_{Baseline} = \sum_{i=1}^{n} D_D + D_H \times \frac{HDD_i}{T_i} + D_C \times \frac{CDD_i}{T_i} + DO_i + DM_i$$

Where,

D_D = A constant representing units of demand per billing period
D_H = A constant representing units of demand per heating degree day per day
D_C = A constant representing units of demand per cooling degree day per day
DO_i = Offset for the current billing period
DM_i = Other adjustments for the current billing period

C. Key Parameters Measurement Strategy

Measurement and documentation strategies for each project phase are outline below.

Pre-Implementation Measurements and Documentation

Customer will provide ESCO with monthly utility bills and all delivery invoices for the accounts included in Paragraph A for a minimum of twenty-four (24) months' worth of historical utility data that is to represent a complete span of two years' worth of energy usage. Customer will also provide ESCO with monthly utility bills and all delivery invoices for the accounts included in Paragraph A from the end of that twenty-four (24) month data set through the Savings Guarantee Commencement Date within the timelines specified in Schedule 5.

ESCO will collect daily high and low temperature data from the weather station defined in Schedule 4, Common ECM Assumptions.

Post-Implementation Measurements and Documentation

No short-term verification is performed using this method. All post-implementation measurements are conducting during the Performance Period.

Performance Period Measurements and Documentation

Throughout the Performance Period, Customer will provide ESCO with the monthly utility bills and all delivery invoices for the accounts included in Paragraph A within the timelines specified in Schedule 5.

ESCO will collect daily high and low temperature data from the weather station defined in Schedule 4, Common ECM Assumptions.

D. Parameter Estimates

The parameters defined in the equations outlined in Paragraph B that are estimated are determined through engineering analysis of at least twelve (12) months' worth of the pre-implementation measured utility data. This is done to establish the relationship between the weather, billing period length, any other independent factors, and the consumption and demand associated with a particular account. The end result of this analysis is the set of coefficients used in the equations defined in Paragraph B to fully define the baseline for each account. The values will be presented to Customer by ESCO before the Savings Guarantee Commencement Date upon request, and will be documented and agreed upon by both parties in the Meter Tuning Summary. Below are definitions of each of the estimated parameters included in Paragraph B;

- The values of CD and DD represent the base load consumption and demand of the utility usage of a particular meter

and are equivalent to the weather independent energy usage and demand.

- The values of CH and DH represent the heating consumption and demand of the utility usage of a particular meter and are equivalent to the weather dependent energy usage and demand. They are associated with a consumption and demand heating balance point specific to that account.
- The values of CC and DC represent the cooling consumption and demand of the utility usage of a particular meter and are equivalent to the weather dependent energy usage and demand. They are associated with a consumption and demand cooling balance point specific to that account.
- The billing period values of COi and DOi represent the portion of the energy consumption and demand that cannot be accounted for with the weather independent and weather dependent consumption.

Each of these parameters will be determined based on the relationship of the baseline period energy and demand and the independent factors. During the Performance Period they will be used to estimate the energy use and demand that would have occurred if the project had not been performed. To accomplish this, COi and DOi will be pro-rated to the Performance Period billing periods for each account.

The terms CMi and DMi are included in the equations in Paragraph B to account for changes in the Performance Period energy use and demand from the baseline Period energy use and demand on the accounts in Paragraph A for any causes unrelated to the project as defined in Schedule 5. The procedures for developing these estimates vary with the specific causes for the adjustments. The requirements for determining these values and any measurements necessary to support these estimates are defined in Schedule 5.

E. Cost Savings Calculations

Provided below are the methods and equations used to determine the cost savings associated with this particular methodology.

Cost Savings are calculated as the difference between the baseline and Performance Period energy costs using the utility rates as defined in Schedule 4, Energy, Water, and O&M Rate Data. The applicable utility rates will be applied to the baseline and Performance Period energy use for the accounts in Paragraph A. Equation 5 will be used to compute the total cost savings for each Guarantee Year.

Equation 5 – Total Cost Savings

$$\$_{save} = \sum_{i=1}^{n}\left[\sum_{k=1}^{q}\left(\$_{Baseline} - \$_{Performance}\right)_k\right]_i$$

Where,

$\$_{save}$ = Guarantee year cost savings
$\$_{Baseline}$ = Billing period k baseline utility cost for account i
$\$_{Performance}$ = Billing period k performance period utility cost for account i
n = Total number of accounts
q = Total number of billing periods for account i

Any savings accrued prior to the Savings Guarantee Commencement Date will be considered Excess Savings.

NON-MEASURED SAVINGS

A. Overview of M&V Plan, and Savings Calculation
B. Annual Non-Measured Savings
C. Performance Period Validation Activities

A. Overview of M&V Plan, and Savings Calculation

The Actual Savings associated with this methodology will be agreed upon as outlined herein and will not be verified by measurements after implementation has occurred. Customer and ESCO agree to accept the annual savings values included in Section B with no additional verification. In the event that verification steps are performed by Customer or ESCO, the annual savings values included in Section B will still be the reported savings and values used for reconciling the guarantee in Schedule 3. Section B details the agreed upon savings by measure and by category.

B. Annual Non-Measured Savings

Utility Cost Savings

Once the construction of each of the measures below has reached Substantial Completion, the annual savings in the table below will be prorated monthly for each measure until the Savings Guarantee Commencement Date. The annual savings in the table below for each measure will be claimed for each Guarantee Year after the Savings Guarantee Commencement Date. These savings will be escalated at 2.2% for Electric (including Solar) and Water and 2.4% for Natural Gas beginning in Year 2. Solar PPA savings will degrade at 0.5% per year beginning in Year 2 and will only be included for the first 15 Year and will drop to $0 in Year 16. All other ECMs will escalate for the full 20 year term.

		Cost Savings			
Site	Utility Cost Savings Measure	Electric	Natural Gas	Water	Total
Administration	Direct Install HVAC	$603	$3,160	-	$3,763
Administration	Envelope Upgrade	$462	$1,113	-	$1,576
Administration	Exterior LED Lighting	$1,387	$0	-	$1,387
Administration	Interior LED Lighting	$3,390	($504)	-	$2,887
Administration	Water Fixture Upgrade	-	$21	$284	$305
Battle Hill ES	Envelope Upgrade	$836	$2,024	-	$2,860
Battle Hill ES	Exterior LED Lighting	$1,802	$0	-	$1,802
Battle Hill ES	Interior LED Lighting	$10,842	($769)	-	$10,073
Battle Hill ES	Roof Replacement	$935	$273	-	$1,208
Battle Hill ES	Water Fixture Upgrade	-	$146	$1,111	$1,257
Battle Hill ES	Solar PPA	$22,473	-	-	$22,473
Burnett MS	Water Fixture Upgrade	-	-	$2,582	$2,582
Burnett MS	Solar PPA	$51,810	-	-	$51,810
Connecticut Farms ES	BAS Red Wire	$1,742	$546	-	$2,288
Connecticut Farms ES	Boiler Replacement	$0	$2,103	-	$2,103
Connecticut Farms ES	Demand Control Ventilation	$71	$646	-	$717
Connecticut Farms ES	Exterior LED Lighting	$1,125	$0	-	$1,125
Connecticut Farms ES	Interior LED Lighting	$8,727	($819)	-	$7,908
Connecticut Farms ES	Radiator Control	-	$652	-	$652
Connecticut Farms ES	Steam Trap Repair	-	$2,748	$0	$2,748
Connecticut Farms ES	Water Fixture Upgrade	-	$136	$1,279	$1,416
Connecticut Farms ES	Solar PPA	$20,124	-	-	$20,124
Field House	Envelope Upgrade	$143	$771	-	$914
Field House	Exterior LED Lighting	$349	$0	-	$349
Field House	Interior LED Lighting	$1,971	$0	-	$1,971
Franklin ES	BAS Red Wire	$2,360	$1,781	-	$4,142
Franklin ES	Demand Control Ventilation	$166	$832	-	$998
Franklin ES	Direct Install HVAC	$0	$1,543	-	$1,543
Franklin ES	Envelope Upgrade	$636	$2,122	-	$2,757
Franklin ES	Exterior LED Lighting	$826	$0	-	$826
Franklin ES	Interior LED Lighting	$9,115	($985)	-	$8,130

Franklin ES	Radiator Control	-	$229	-	$229
Franklin ES	Steam Trap Repair	-	$3,708	-	$3,708
Franklin ES	Water Fixture Upgrade	-	$162	$1,109	$1,270
Franklin ES	Solar PPA	$10,776	-	-	$10,776
Hamilton ES	Envelope Upgrade	$490	$1,706	-	$2,196
Hamilton ES	Interior LED Lighting	$5,375	($460)	-	$4,915
Hannah Caldwell ES	Water Fixture Upgrade	-	-	$1,861	$1,861
Hannah Caldwell ES	Solar PPA	$57,422	-	-	$57,422
Jefferson ES	Direct Install HVAC	$897	$3,364	-	$4,261
Jefferson ES	Envelope Upgrade	$490	$2,544	-	$3,034
Jefferson ES	Exterior LED Lighting	$3,916	$0	-	$3,916
Jefferson ES	Interior LED Lighting	$13,921	($833)	-	$13,088
Jefferson ES	Water Fixture Upgrade	-	$97	$1,029	$1,126
Jefferson ES	Solar PPA	$17,810	-	-	$17,810
Kawameeh ES	Demand Control Ventilation	$698	$1,400	-	$2,098
Kawameeh ES	Direct Install HVAC	$1,103	$1,542	-	$2,645
Kawameeh ES	Envelope Upgrade	$494	$1,927	-	$2,421
Kawameeh ES	Exterior LED Lighting	$4,243	$0	-	$4,243
Kawameeh ES	Interior LED Lighting	$24,666	($3,855)	-	$20,811
Kawameeh ES	Steam Trap Repair	-	$3,490	-	$3,490
Kawameeh ES	Water Fixture Upgrade	-	$91	$1,707	$1,798
Kawameeh ES	Solar PPA	$27,913	-	-	$27,913
Livingston ES	Demand Control Ventilation	$133	$1,237	-	$1,370
Livingston ES	Direct Install HVAC	$848	$2,647	-	$3,494
Livingston ES	Envelope Upgrade	$1,707	$5,205	-	$6,912
Livingston ES	Exterior LED Lighting	$2,156	$0	-	$2,156
Livingston ES	Interior LED Lighting	$9,588	($1,712)	-	$7,875
Livingston ES	Radiator Control	-	$100	-	$100
Livingston ES	Steam Trap Repair	-	$4,741	$0	$4,741
Livingston ES	Water Fixture Upgrade	-	$91	$1,004	$1,095
Livingston ES	Solar PPA	$10,981	-	-	$10,981
Union High School	Water Fixture Upgrade	-	-	$6,512	$6,512
Union High School	Solar PPA	$153,946	-	-	$153,946
Washington ES	BAS Red Wire	$4,284	$1,478	-	$5,762
Washington ES	Direct Install HVAC	$901	$3,229	-	$4,130
Washington ES	Envelope Upgrade	$805	$4,224	-	$5,029
Washington ES	Exterior LED Lighting	$656	$0	-	$656
Washington ES	Interior LED Lighting	$9,977	($1,935)	-	$8,043
Washington ES	Roof Replacement	$634	$397	-	$1,032
Washington ES	Steam Trap Repair	-	$3,571	$0	$3,571
Washington ES	Water Fixture Upgrade	-	$169	$1,356	$1,525
Washington ES	Solar PPA	$7,485	-	-	$7,485
Total		$516,212	$56,091	$19,836	$592,140

Any savings accrued prior to the Savings Guarantee Commencement Date will be considered Excess Savings.

Operation and Maintenance Savings

The annual savings in the table below for each measure will be claimed for each Guarantee Year after the Savings Guarantee Commencement Date. These savings will be escalated at 2.2% per year beginning in Year 2 and will reduce to $0 beginning in Year 6.

Operation and Maintenance Savings Measure	Cost Savings
Administration - Lighting	$1,202
Battle Hill ES - Lighting	$1,776
Burnet MS - Lighting	$3,340
Connecticut Farms ES - Lighting	$1,351
Field House - Lighting	$347
Franklin ES - Lighting	$1,571
Hamilton ES - Lighting	$735
Hannah Caldwell ES - Lighting	$2,845
Jefferson ES - Lighting	$3,181
Kawameeh MS - Lighting	$4,144
Livingston ES - Lighting	$2,023
Union HS - Lighting	$943
Washington ES - Lighting	$1,919
Hannah Caldwell ES - New Chiller & CT w/ DDC Controls	$16,057
Union HS - New Units with Cooling	$30,000
Total	$71,436

SCHEDULE 5: CUSTOMER RESPONSIBILITIES FOR PERFORMANCE GUARANTEE

GENERAL RESPONSIBILITIES

Customer acknowledges and agrees that proper maintenance is essential to any energy conservation program. Therefore, Customer agrees to undertake the following responsibilities:

Customer agrees to: (1) provide, or cause its suppliers to provide, periodic utility invoices to ESCO within ten (10) days of receipt, (2) execute all Customer responsibilities as outlined herein, and (3) provide to ESCO reasonable access to all Customer facilities and information necessary for ESCO to perform its responsibilities. Access will include, but is not limited to, the following items:

All buildings listed within the PASS Agreement
All buildings served by the meters listed within the PASS Agreement
All mechanical equipment rooms in the buildings listed within the PASS Agreement
All temperature control and energy management systems which control part or all of any of the buildings listed within the PASS Agreement
Personnel with responsibility for operating and/or managing any of the buildings listed within the PASS Agreement
Monthly utility invoices and billing history for all of the meters listed within the PASS Agreement
Construction documents, equipment inventories, and other documents that may be helpful in evaluating a cause for adjustment as listed within the PASS Agreement
Any data from meters or sub-meters relevant to measurement and verification associated with the PASS Agreement

Customer will solely be responsible for providing communications and/or network interface to all buildings for operation and PASS support.

Customer will perform daily facilities monitoring and promptly review any alarm summaries.

Customer will designate a "Primary Operator" of the system. The Primary Operator is defined as the individual who will be trained by ESCO during the installation period and will be responsible for daily operation and maintenance of the equipment and systems necessary to achieve the Performance Guarantee. Customer will notify ESCO within five (5) days after the departure or termination of the Primary Operator. Within ten (10) days of the departure of the current Primary Operator, Customer will designate a new Primary Operator and shall provide ESCO access to train the new Primary Operator. ESCO shall train a new Primary Operator at the sole expense of Customer on a time and materials basis.

MAINTENANCE RESPONSIBILITIES

Customer agrees to use its best efforts to maintain the ECMs in original operating condition ("Original Operating Condition") with allowance for normal wear and tear. If an ECM is operating at any state other than the Original Operating Condition as defined above ("Failed ECM"), Customer agrees to (1) repair or replace the ECM immediately, and (2) contact a PASS representative at 1-800-274-5551 within 24 hours of such event. ESCO reserves the right to adjust the amount of Performance Guarantee associated with the Failed ECM for the duration of the failure in the Annual Savings Guarantee.

Customer will agree to maintain all parts of the Project site(s) where the ECM(s) reside including but not limited to components, equipment, machinery, energy management systems, structure of the facility(s), computer hardware, network and IT systems, either existing or newly installed. Customer must comply with the general maintenance requirements specified by equipment manufacturers and the maintenance tasking guidelines included in the operating and maintenance manual. Customer will be responsible to provide to ESCO documentation that proper maintenance has been performed at ESCO'S request within fifteen (15) days of written request.

Notwithstanding anything to the contrary contained herein, all ECM(s) must be maintained in proper working condition in all cases where the performance of said ECM(s) affects or could affect the ability to achieve, measure or verify the Annual Savings Guarantee. Should Customer refuse to perform the required maintenance as required in the PASS Agreement, ESCO

and Customer shall agree to one of the following means of recourse: (1) ESCO will adjust the Performance Guarantee associated with that ECM pursuant to this Schedule 5, or (2) ESCO may terminate this Performance Guarantee and any and all obligations and liabilities of ESCO associated therewith upon fifteen (15) days written notice.

ADJUSTMENT RESPONSIBILITIES

In addition to the responsibilities of Customer set forth in this Schedule, Customer also agrees to undertake the responsibilities set forth in the Adjustment Schedule as necessary.

ADJUSTMENT SCHEDULE

Below is the procedure for accounting for non-routine adjustments for any of the utility meters included in Schedule 4. A non-routine adjustment is required for any change outside of those explicitly defined in Schedule 4 that will impact the energy use or the verified savings under the PASS Agreement. It is Customer's responsibility to notify ESCO of any changes that may necessitate a non-routine baseline adjustment and to perform the required non-routine baseline adjustment steps identified below at Customer's sole expense.

CUSTOMER REQUIRED NON-ROUTINE BASELINE ADJUSTMENT RESPONSIBILITIES

If the required non-routine baseline adjustment steps are not performed, and the change is greater than the threshold limit, savings will be determined with the Assumed Savings Procedure Adjustment, as defined below. Actual Savings will be determined using the Assumed Savings Procedure Adjustment for all billing periods until the required non-routine baseline adjustment steps have been completed, or until the change which necessitated the non-routine baseline adjustment is no longer in place. If Customer fails to notify ESCO of a change necessitating a non-routine baseline adjustment or fails to provide details of the change, savings will be determined with the Assumed Savings Procedure Adjustment.

If the required non-routine baseline adjustment steps are not performed, and the change is less than the threshold limit, savings will be determined with the "Estimated Savings Procedure Adjustment". Actual Savings will be determined using the Estimated Savings Procedure Adjustment for all billing periods until the required non-routine baseline adjustment steps have been completed, or until the change which necessitated the non-routine baseline adjustment is no longer in place.

1. Addition of New Building or New Energy User
All utility services to the building or energy user which affect the energy use of any meter included in Schedule 4 must be sub-metered at Customer's expense.
Threshold limit: the lesser of 10% of the area served by any affected meter, as defined in Schedule 4 or 20,000 ft^2.

2. Addition to Existing Building
All utility services to the addition which affect the energy use of any meter included in Schedule 4 must be sub-metered at Customer's expense.
Threshold limit: the lesser of 10% of the area served by any affected meter, as defined in Schedule 4 or 20,000 ft^2.

3. Renovation / Modification to Existing Building or Utility Service
All utility services for the affected portion of the building must be sub-metered before and after the change until the effect on the energy consumption has been determined at Customer's expense.
Threshold limit: the lesser of 10% of the area served by any affected meter, as defined in Schedule 4 or 20,000 ft^2.

4. Demolition / Abandonment of Existing Building or Utility Service
All utility services for the affected buildings must be sub-metered before and after the change until the effect on the energy consumption has been determined at Customer's expense.
Threshold limit: the lesser of 10% of the area served by any affected meter, as defined in Schedule 4 or 20,000 ft^2.

5. Re-commissioning of Out of Service Building
All utility services for the affected buildings must be sub-metered before and after the change until the effect on the energy consumption has been determined at Customer's expense.
Threshold limit: the lesser of 10% of the area served by any affected meter, as defined in Schedule 4 or 20,000 ft^2.

6. Change in Occupancy
Customer must perform, or cause to be performed, at Customer's expense, a calibrated computer simulation to account for the change. If the impact computed by the simulation is greater than 20% of the projected savings on the meter, the "Assumed Savings Procedure" listed below will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
Threshold limit: 5% of the total occupant count in the base year.

7. Change in Schedule
Customer must perform, or cause to be performed, at Customer's expense, a calibrated computer simulation to account for the change. If the impact computed by the simulation is greater than 20% of the projected savings on the meter, the Assumed Savings Procedure will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
Threshold limit: 5% of the total scheduled hours for the meter as defined in Schedule 4.

8. Change in Set-points
Customer must perform, or cause to be performed, at Customer's expense, a calibrated computer simulation to account for the change. If the impact computed by the simulation is greater than 20% of the projected savings on the meter, the Assumed Savings Procedure will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
Threshold limit: An average of 0.5° from the set-points defined in Schedule 4.

9. Change in Operational Calendar
Customer must perform, or cause to be performed, at Customer's expense, a calibrated computer simulation to account for the change. If the impact computed by the simulation is greater than 20% of the projected savings on the meter, the Assumed Savings Procedure will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
Threshold limit: 5% of the total scheduled hours for the meter as defined in Schedule 4.

10. Change in Plug Load
Customer must perform, or cause to be performed, at Customer's expense, a simulation of energy impact to account for the change. If the computed impact is greater than 20% of the projected savings on the meter, the Assumed Savings Procedure will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
Threshold limit: 1% of the base year peak 15-minute average kW for the affected meter.

11. Customer Initiated ECMs
Customer must develop and execute a M&V Plan at Customer's expense, which has been reviewed and approved by ESCO, to evaluate the impact of the change. If the impact determined by the M&V Plan is greater than 20% of the projected savings on the meter, the Assumed Savings Procedure will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
Threshold limit: 2% of the projected savings on any affected meter.

12. Missing Bills
Customer is required to provide ESCO with utility bills for meters defined in Schedule 4 within ten (10) days of receipt of each bill or provide ESCO direct access to retrieve the utility bills electronically. If utility bills are not received by ESCO within sixty (60) days of the end of the service date, the Assumed Savings Procedure will be used.

13. Failure to Operate ECMs According to Operational and Design Intent
Customer agrees to operate the ECMs according to the Operational and Design Intent of the ECMs. Failure to do so will necessitate a baseline adjustment using the Assumed Savings Procedure.

14. Failure to Perform Project Specific Customer Responsibilities
Customer agrees to perform the project specific Customer responsibilities as defined in Schedule 5. Failure to do so will

necessitate a baseline adjustment using the Assumed Savings Procedure.

15. Other Causes
Any change that impacts the energy use on the meters defined in Schedule 4 that does not fit into any of the other categories may still require a non-routine baseline adjustment. Customer will notify ESCO before any change is made so that an agreeable adjustment strategy can be determined. If no agreeable adjustment method can be reached, the Assumed Savings Procedure will be used.

16. Steam Trap ECM

- The Steam Trap scope considered all known steam traps. If additional traps are identified during construction or the Guarantee Years an adjustment may be applied. The adjustment will follow the Estimated Savings Procedure or Assumed Savings Procedure depending on information available at the time of discovery.

17. Direct Install Scope
Customer agrees to execute, or cause to be executed, the Direct Install Scope included in this project. Any changes to that scope will necessitate a baseline adjustment using the Assumed Savings Procedure. If scope is incomplete when the Guarantee begins, a baseline adjustment will be applied until such time as it is complete.

ASSUMED SAVINGS PROCEDURE ADJUSTMENT

If the Actual Savings for the affected meter(s) in the prior Guarantee Year are greater than or equal to the projected savings for the affected meter(s), the Actual Savings from the prior Guarantee Year will be reported while savings are assumed for the affected meter(s).
If the Actual Savings for the affected meter(s) in the prior Guarantee Year are less than the projected savings for the affected meter(s) and there have been less than twenty-four (24) months since the commencement of the Performance Period, Actual Savings will be reported at the projected savings level while savings are assumed for the affected meter(s).
If the Actual Savings for the affected meter(s) in the prior Guarantee Year are less than the projected savings for the affected meter(s) and there have been twenty-four (24) months or more since the commencement of the Performance Period, Actual Savings will be reported as the average of the achieved savings over the two (2) most recent Guarantee Year plus half (1/2) of the difference between the projected savings and the average of the achieved savings over the two (2) most recent Guarantee Years.
If pursuant to the Assumed Savings Procedure, ESCO makes improvements to the Project beyond the original scope which results in an increase in the Actual Savings, a M&V Plan accounting for those improvements will be executed and the resulting savings will be added to the Actual Savings.

ESTIMATED SAVINGS PROCEDURE ADJUSTMENT

At ESCO'S sole discretion, ESCO will estimate the impact of the change using computerized building simulations, manual calculations, or other generally accepted estimating procedures and may ignore any changes which fall below the threshold limit.

EXHIBIT A: PERFORMANCE ASSURANCE SUPPORT SERVICES

SECTION 1 – SERVICES DURING INITIAL TERM

ESCO shall provide the Performance Assurance Support Services (the "Services") defined below to Customer during the Initial Term as defined in this Agreement.

	Initial Term			
	Installation	Year 1	Year 2	Year 3
Remote Energy Mgmt Training and Technical Support - Total Hours	Included	56	28	Customer Option
Remote System Monitoring and Reporting - BAS Reviews and Interaction	Included	Monthly	Monthly	Customer Option
Remote System Monitoring and Reporting - BAS Reviews, Optimization and Interaction		Bi-Annally		Customer Option
Measurement & Verification with Savings Reporting Portal	Included	Included	Included	Included
On-Site Visits - Number of Consulting and Assessment Visits	Included	4	4	1
Training - Total Hrs	24	12	12	Customer Option
Resource Advisor - with Energy Star Module Package (26 mtrs)	Included	Included	Included	Included
	Installation	Year 1	Year 2	Year 3
Total	$57,140	$71,960	$65,960	$24,500

SECTION 2 – SERVICES AFTER INITIAL TERM

After the end of Initial Term and each subsequent term thereafter, Customer may either (1) renew the same level of Service as set forth in the Initial Term or previous term, (2) change the Service level by selecting one or more of the options defined below, or (3) terminate the PASS Agreement and the Savings Guarantee in accordance with the termination provisions contained herein. All prices will be calculated at the time of renewal.