

BUSINESS PROGRAM TERMS & CONDITIONS

Definitions	<p>FIRSTENERGY'S PENNSYLVANIA UTILITIES ("THE COMPANY" OR "COMPANIES") – Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company.</p> <p>PROGRAM or PROGRAMS – Companies' programs approved by the Pennsylvania Public Utility Commission ("PUC") for implementation under Pennsylvania Act 129 Phase III. This application relates to the Business programs supporting energy efficiency in the Companies' Commercial and Industrial customer facilities including, municipal, government and institutional facilities.</p> <p>PROGRAM MANAGER – The party contracted by the Companies for management of the Programs.</p> <p>ENERGY-EFFICIENCY MEASURES – Any equipment or action eligible to receive a Program Incentive payment under the Program.</p> <p>PARTICIPANT (or PARTICIPANTS or PARTICIPATING CUSTOMERS) – Those non-residential retail electric service eligible customers of the Companies who participate in this Program.</p> <p>PROGRAM INCENTIVES – Refers to the monetary incentive, equipment or service that the Program provides to FirstEnergy's Pennsylvania Utilities qualifying customers.</p>
Eligibility	Participant or Participants as defined above and served by FIRSTENERGY'S PENNSYLVANIA UTILITIES. Residential customers are not eligible for incentives through the Commercial and Industrial Programs. Incentives are awarded only to Participants, or their assigned agents, for qualifying equipment ("Energy Efficiency Measures") that is installed in the Commonwealth of Pennsylvania at the location identified in this Application, and such Participants are responsible for compliance with the Terms and Conditions set forth herein.
Compliance	The Participant is responsible to comply with all applicable laws, rules and regulations, and to comply with all federal, state, and local codes.
Publicity	With Participant's written permission, the Companies may publicly recognize participation in the Programs and disclose information relating to the Participant's participation in the program, including such data as: projected project energy savings, the incentive amount, and other similar information.
Application and Eligibility Process	<p>The Programs provide for payment of incentives after the installation of qualified energy efficiency measures and review of final documentation for compliance with program requirements by the Program Manager. In order to be eligible for incentives, a Participant, or an agent (contractor/vendor) authorized by the Participant, must submit a properly completed application with necessary supporting documentation before an application can be accepted into the program. If eligible, the Participant will receive an approval letter with the estimated incentive amount and the date by which the equipment must be installed for the approval to remain in effect.</p> <p>After installation is completed, the Participant must finalize and resubmit the completed equipment application reflecting the "as built" project, along with invoice(s), the manufacturer's equipment specification sheet, and any other required documentation as may be specified by the program's initial approval letter or program eligibility requirements. Applications must be filled out completely, truthfully and accurately, and include signatures of the Participant and its authorized agents (as appropriate). Incentive payment will be based on the "as-built" documentation provided with the final project application.</p> <p>Projects completed (installed) on or after June 1, 2016, that did not obtain approval from the program may apply for incentives no later than 180 days from the date of project completion. Completion is defined as all equipment installed and operable.</p>
Dates of Program	<p>Incentives are available for eligible Energy Efficiency Measures for which equipment is installed and operable on or after June 1, 2016 through May 31, 2021.</p> <p>Dated Proof of Purchase and complete documentation will be required with final application submission for the participant to be eligible for incentive payment. The program is subject to revision or termination at any time by the Companies.</p>
Installation Schedule Requirements	Pre-approved projects will receive approval letters defining terms for payment and a commitment expiration date. If the Participant: (1) has not engaged in installation of the pre-approved project; and (2) has not applied to the Program Manager for a project extension within 90 days from the date the Program Manager pre-approves the project, the Program Manager may cancel Participant's application without liability.
Acceptable Proof of Purchase	Acceptable forms of Proof of Purchase include paid invoices or receipts. The documentation must show item numbers, quantities and descriptions that are of sufficient detail to verify that the installed equipment meets efficiency requirements. Additionally, the post-installation documentation must include manufacturers' specifications ("cut sheets") that list the efficiency ratings of the equipment. The Program Manager may, at its sole discretion, accept other forms of proof of purchase.
Evaluation, Measurement and Verification	<p>The Program Manager may, but is not obligated to, conduct an inspection of the facility to verify pre- and post-installation conditions or verify documentation prior to incentive payment, at any time after receipt of applications and up to 5 years after payment of incentives. In addition, the Pennsylvania Public Service Commission and the Companies have engaged Evaluation Measurement and Verification ("EM&V") contractors to evaluate program performance which may involve additional visits. The applicant must provide reasonable access to the facility, the equipment, and related documentation and data. The Companies, or their agents, may install simple/standard metering devices on equipment for program data collection, measurement and verification purposes. The Companies and their agents are not obligated to pay any incentive awards until it has performed a satisfactory post-installation verification, unless it has waived this requirement. If the Program Manager determines that the equipment was not installed in a manner consistent with the approved application, or if non-qualifying equipment was installed, Program Manager may require changes before making incentive payment.</p> <p>If qualifying equipment cannot be located at the Participant's facility or is not installed in a manner consistent with the provisions of these Terms and Conditions, the Companies may seek recovery of the incentives paid.</p>

BUSINESS PROGRAM TERMS & CONDITIONS - Continued

Assignment	The Participant may assign Program Incentives to a specified third party(s).
Participating Customer's Certification	Participant certifies that he/she purchased and installed the equipment listed in its application at its defined Pennsylvania location listed therein. Participant agrees that all information is true and that he/she has conformed to all of the program's eligibility requirements, terms and conditions.
Incentive Amounts	Program incentives will equal: a) the approved Program Incentive amount reflecting incentives in effect at the time of approval, or b) based on verified savings using the measurement & verification protocol developed for this project, or c) maximum Incentive amount subject to Program limitations as defined by the Program. If the project is completed after the approval has expired, the Program Incentive amount may be subject to change based on availability of funds and incentive rates in effect at that time. Allow ninety (90) business days for delivery of the Program Incentive. Applications requiring post-installation inspections, or if unanticipated high volume of application submission activities occur, additional time may be required to process Program Incentive. If information is missing or incorrect on the application, processing and delivery of the Program Incentive will not occur until all required information is correct and provided.
Taxes	Incentives received by the Participant under this Application may be taxable by the federal, state, and local government. The Participant is responsible for declaring and paying all such taxes. Companies shall have no liability or obligation for any taxes.
Indemnification and Limits of Liability	<p>The Participant shall protect, indemnify, and hold harmless the Companies and their parents, subsidiaries, affiliates, agents, contractors, employees, officers, and directors from and against all liabilities, losses, claims of death or injury or other damages, judgments, penalties, causes of action, costs and expenses (including, without limitation, attorney's fees and expenses) incurred by or assessed against the Companies or their parents, subsidiaries, affiliates, agents, contractors, employees, officers and directors arising out of or relating to the performance of this Application or arising out of or relating to the installation, use and maintenance of the equipment, designs, practices or methods involved in this Participant's project.</p> <p>In no event shall any indemnified party be liable for any punitive, exemplary, special, indirect, incidental or consequential damages (including, but not limited to, lost profits, lost business opportunities, loss of use or equipment down time, and loss of or corruption to data) arising out of or relating to this Agreement or Program, regardless of the legal theory under which such damages are sought.</p>
Warranties	<p>The Companies and their parents, subsidiaries, affiliates, agents, contractors, employees, officers, and directors make no express or implied warranties regarding the performance of installed equipment, the quality of any contractor's work, or that the equipment will result in any energy or cost savings.</p> <p>THE COMPANIES AND THEIR PARENTS, SUBSIDIARIES, AFFILIATES, AGENTS, CONTRACTORS, EMPLOYEES, OFFICERS, AND DIRECTORS DO NOT ENDORSE, GUARANTEE, OR WARRANT ANY PARTICULAR MANUFACTURER OR PRODUCT, AND THEY PROVIDE NO WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR IMPLIED WARRANTY OF FITNESS FOR ANY PRODUCT OR SERVICES. THE COMPANIES AND THEIR PARENTS, SUBSIDIARIES, AFFILIATES, AGENTS, CONTRACTORS, EMPLOYEES, OFFICERS, AND DIRECTORS ARE NOT LIABLE OR RESPONSIBLE FOR ANY ACT OR OMISSION OF ANY CONTRACTOR (IF ANY). THE CUSTOMER'S WARRANTIES ARE LIMITED TO ANY WARRANTIES THAT MAY BE PROVIDED BY CONTRACTORS, VENDORS OR EQUIPMENT MANUFACTURER. NEITHER THE COMPANIES NOR THEIR PARENTS, SUBSIDIARIES, AFFILIATES, AGENTS, CONTRACTORS, EMPLOYEES, OFFICERS, AND DIRECTORS ARE RESPONSIBLE FOR ASSURING THAT THE DESIGN, ENGINEERING AND CONSTRUCTION OF THE FACILITY OR INSTALLATION OF THE EQUIPMENT IS PROPER OR COMPLIES WITH ANY PARTICULAR LAWS, CODES, OR INDUSTRY STANDARDS. THE COMPANIES AND THEIR PARENTS, SUBSIDIARIES, AFFILIATES, AGENTS, CONTRACTORS, EMPLOYEES, OFFICERS, AND DIRECTORS DO NOT MAKE ANY REPRESENTATIONS OF ANY KIND REGARDING THE RESULTS TO BE ACHIEVED BY THE ENERGY EFFICIENCY MEASURES OR THE ADEQUACY OR SAFETY OF SUCH MEASURES.</p>
Recycling (Proper Disposal of Waste)	The Companies and their parents, subsidiaries, affiliates, agents, contractors, employees, officers, and directors are not responsible for the disposal or recycling of any waste generated as a result of participating this project.
Endorsement (Product/Vendor)	The Companies and their parents, subsidiaries, affiliates, agents, contractors, employees, officers, and directors do not endorse any particular market provider, manufacturer, product, labor or system design by offering this Program.
Termination	<p>Incentives are available for energy efficiency measures on a first-come, first-served basis subject to the availability of funds. Program availability, program terms and equipment eligibility may change without notice at the discretion of the Companies.</p> <p>Submission of any application does not give rise to any obligation to make any incentive payment by the Companies and their parents, subsidiaries, affiliates, agents, contractors, employees, officers, and directors.</p>