

**WORK AUTHORIZATION
No. 028369110001X110**

This Work Authorization No. 028369110001X110 (“Work Authorization”) between **Kentucky Power Company** (“KPCo”) and **Lime Energy Services Co.** (“Lime Energy”), is subject to and governed by the provisions of Contract No. 028369110000X103 (“Contract”).

A. Effective Date

This Work Authorization is effective January 1, 2016 (“Effective Date”).

B. Term

The term of this Work Authorization begins on the Effective Date and continues through December 31, 2018 unless terminated earlier in accordance with the terms and conditions of the Contract.

C. Scope of Services

Lime Energy shall provide all supervision, labor, reports and specified materials necessary to implement the Express Install Program (“Program”) as set out in the Statement of Work for Express Install Program dated November 10, 2015 (“SOW”) attached hereto and incorporated herein. The parties agree that any changes to the SOW shall be made in accordance with the Change Control Plan attached hereto and incorporated herein.

D. Order of Priority

In the event of conflicts, the Contract shall be interpreted giving precedence to the document with the higher priority:

1. Contract No. 028369110000X103;
2. This Work Authorization consisting of two pages;
3. The SOW; and
4. Change Control Plan Rev. 2.

E. Pricing

KPCo shall pay Lime Energy as compensation for the services in accordance with the compensation schedule and calculations contained in the SOW. The total cost of the Program will not exceed \$640,800.

F. Invoices

Lime Energy shall invoice KPCo biweekly for all approved incentive payments from the previous two weeks. KPCo shall pay 100% of each properly submitted and accepted invoice within forty five (45) days of receipt.

Each invoice shall include the following minimum information:

- a. A unique invoice number;
- b. This Work Authorization No. 028369110001X110;
- c. Details and itemization of activities and expenditures being invoiced, including the following information for services provided:
 1. Customer name and address
 2. Date of completed installation

- 3. Number and type of measures installed
- 4. Total project price
- 5. Incentive amount
- 6. Number of customers serviced
- 7. Total estimated kWh savings

- d. If no direct pay permit or exemption certificate, the rate and amount of taxes being billed; and
- e. Total amount of invoice.

Lime Energy shall e-mail invoices to: Scott Bishop at sebishop@aep.com.

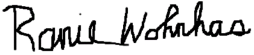
G. Notices

In accordance with Article 33 of the AEP General Terms and Conditions for Labor and Services Rev. 3 dated 6/14 in Exhibit A to the Contract and therefore incorporated herein, the representatives for receipt of notice are:

For KPCo:
 Scott Bishop
 12333 Kevin Avenue
 Ashland, Kentucky 41102
 606.929.1694
 sebishop@aep.com

For Lime Energy:
 Thomas Pirone
 Vice President
 130 Quarry Hill Road
 Lee, Massachusetts 01328
 631.476.5858
 tpirone@lime-energy.com

Kentucky Power Company

DocuSigned by:

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Name: Ranie Wohnhas

Title: Managing Director Regulatory and Financial

4/20/2016 | 11:46 AM ET

date

Lime Energy Services Co.

DocuSigned by:

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Name: Tom Pirone

Title: Vice President

4/20/2016 | 11:17 AM ET

date

Statement of Work For Express Install Program



November 10, 2015



Proprietary and Confidential

1.0 Description

This Statement of Work (“SOW”) sets forth the level of the project services required to set up and manage the Kentucky Power Co (“KPCo”) Express Install (“EI”) program (hereinafter “EI Program” or “Program”). This SOW defines the general approach, objectives, tasks, responsibilities, deliverables and timelines for specified components of the EI Program for Lime Energy and KPCo. All requirements included herein shall be addressed by Lime Energy and will be a part of the Work Authorization. Contractor shall not begin work prior to execution of the Work Authorization and without prior written authorization from KPCo.

1.1 Definitions

Actual means the industry standard wattage or energy usage of the equipment or measure identified at a customer facility at the time the audit was conducted.

Call Center means the facility, technology, people and resources to successfully receive and process inbound and outbound calls as required by the Work Authorization.

Call Center Representative dedicated, trained and qualified EI personnel who perform all services required for inbound and outbound calls.

Contractor(s) means Lime Energy Services Co, which shall perform work pursuant to the Work Authorization.

Customer means non-residential customers only within the KPCo service territory who meet the eligibility requirements as set forth in the Program.

Customer Project means all work associated with the installation of energy conservation measures at a customer’s premise, including required documentation and waste management services.

Equal Employment Opportunity means policies that conforms to state laws related to equal employment in the state which services are being performed. Contractor shall also include policies that emphasize supplier diversity. In accordance with applicable federal, state and local laws, Contractor shall make all employment-related decisions without regard to race, color, creed, religion, age, sex, ancestry, national origin, sexual orientation, marital status, domestic partner status, disability, status with regard to public assistance, membership or activity in local commission or status as a qualified protected veteran.

Fully Operational means that all IT systems are operational and functional to propose, track and report on projects, Contractor is able to accept inbound and outbound customer calls, and a segment of Contractor’s staff is fully trained and equipped to complete assessments and generate leads.

Incentive Calculation Rate (ICR) the dollar rate, paid on a per kWh saved basis, used within the Lime Energy DirectInstall™ algorithm to effectively calculate the customer incentive dollars, while capping the total project cost at 70%. The ICR shall be \$____ per kWh saved, paid up to the point in which the incentive value reaches 70% of the total project cost, per EI project.

Marketing Plan Contractor’s plan for segmenting, targeting, recruiting and soliciting customer participation in the EI Program, approved by KPCo

Measure Pricing Matrix means a comprehensive list of all incentivized measure types, as well as the Contractor’s “all in” costs associated with each measure, approved by KPCo.

Program means KPCo Express Install Program

Program Design Phase means the timeframe in which the program is being developed in between contract execution and Program Launch.

Program Launch means the Date that KPCo receives regulatory approval. For Program Launch, Contractor shall be fully operational and its reporting systems shall be fully operational, and KPCo representatives shall be trained in their use as well as Contractor field staff shall be hired and trained to engage customers.

Program Manager means Contractor’s primary point of contact for KPCo. The Program Manager directs the daily activities of the auditors, installation subcontractors and administrative staff.

Program Schedule means Contractor’s comprehensive plan and timeline for Program implementation and production, approved by KPCo.

Program Territory means KPCo’s service territory.

Proposal means a document instantly produced for a customer of KPCo immediately after an energy assessment which contains the following information about a proposed Customer Project: customer name, service address, billing address, account number, customer contact information, Contractor contact information (including in-field representative’s contact information), proposed scope of work including existing equipment to be replaced, specified replacement equipment, itemized breakdown of wattage differences, hours of operation, and estimated kWh savings per replacement line item, total installation cost, along with a breakdown of the cost sharing, total project estimated kWh savings and simple

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payback calculation, certain graphical elements to improve customer comprehension, and terms and conditions of participation. Additionally, a Proposal shall also include information on customer payment and financing options, and detailed Contractor and manufacturer's warranty information. A Proposal shall serve as customer's authorization form. Customer must sign the Proposal prior to any installation services being scheduled.

Proposed Fixture Wattage (PFW) means the industry standard fixture wattage recommended for installation.

Weekly Business Reviews means weekly meetings held between KPCo and Contractor that include reviews of work processes, customer issues (including any complaints), status of completed projects, status of open projects, and/or customer issues. These meetings shall also include lessons learned and/or root cause analysis.

2 Project Overview

EI will utilize the direct install energy efficiency program model, which is designed to be a convenient, turn-key process for small non-residential Customers who are interested in making select energy efficiency improvements.

Small non-residential Customers interested in the EI program may contact KPCo or Contractor by phone or online by filling out a request form on the KPCo EI web page. Contractor shall schedule and conduct a free, no-obligation energy assessment at the eligible Customer's facility. During the assessment, Contractor shall build a scope of work/proposal that includes program-eligible, suggested replacements for existing equipment and details out all costs for the upgrades (equipment and installation) using standardized, consistent pricing, approved by KPCo for each measure. The proposal also includes KPCo's incentive for the project upfront, so customers do not have to wait for an incentive payment. Before agreeing to participate, the customer has the ability to make the final determination of project scope.

If the customer is interested in moving forward with a proposed project, Contractor shall work with local electrical subcontractors for the installation services. Customer shall be able to schedule the installation for a convenient time directly with the Contractor. After the installation is complete and Customer finds the energy efficiency upgrades satisfactory, the customer then pays the Contractor directly for the remaining share of the project. Contractor shall offer extended payment options to Customer, to further minimize any financial barriers to participation but such options are between Contractor and the Customer and shall not be the responsibility of KPCo. Such extended payment options shall clearly indicate that they are an offer from Contractor and not from KPCo.

EI Program incentives are calculated per project based upon the estimated energy savings of the energy efficiency improvements using the appropriate deemed operating hours of the business type and the existing conditions found within the customer's facility (see Appendix C for energy calculations). The incentive (\$/ first year kWh saved) is designed to cover KPCo's portion of the selected vendors(s) program administrative and implementation cost and is the only payment the vendor will receive from KPCo. Contractor shall calculate the estimated energy savings per project based on industry-accepted standards as approved by KPCo. KPCo shall have final approval over all estimated energy savings calculations. The Program may provide an upfront customer incentive for up to 70 percent of the total cost of installed measures. Program measures will address major end-uses in lighting, refrigeration, and HVAC applications.

The EI Program is designed as a pay-for-performance program, meaning that Contractor shall be paid only for the kWh savings impacts delivered through the EI Program and only when kWh savings are installed and verified, a project completion form has been signed by the customer, and KPCo has reviewed and approved project details prior to approving invoicing.

EI program eligibility will be limited to all non-residential customers having peak electric bill demand of 100 kW or less that are not classified as new construction. Participants may be owner-occupied or tenant facilities with owner permission. Upon award of a specific territory, Contractor shall abide by applicable approved Program tariff.

The services provided by Contractor shall include but are not limited to: market research and segmentation, energy assessments, scheduling, customer proposals and authorizations, equipment purchase and inventory, installation, quality

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assurance, incentive/payment processing, financing, equipment & labor warranties, and complete reporting on all activities and on waste management activities.

2.1 Project Objectives

The primary objectives of the Program include:

- Providing up to 70% of incentives for approved installations
- Promoting energy efficiency upgrades to small non-residential customers in KPCo service territories
- Providing customers with the added values of efficiency and convenience
- Furthering KPCo's commitment to offering affordable and broad-reaching programs that simplify energy efficiency decisions for all customers

In addition, the Program should meet the specified projections as listed in Appendix B.

3 Project Work

The following table describes the activities and responsibilities required for implementing and managing the Program.

X – Responsible party

P – Primary party

S – Secondary party

3.1 Program Design and Launch

Ref. #	Item	KPCo	Contractor
1	Program Manager Contractor shall hire and maintain a local Program Manager approved by KPCo, who shall direct the daily activities of the auditors, subcontractors and administrative staff, and is also the primary point of contact for KPCo.		X
2	Operations Contractor shall establish a presence for operations, as approved by KPCo, which shall be convenient to serve KPCo's customer base within each territory. Operations base shall be in-service by Program Launch within each territory.		X
3	Conduct Business Reviews Weekly Business Reviews shall be held between KPCo and Contractor. These review meetings shall include but are not limited to: reviews of work processes, customer issues (including any complaints), status of completed projects, status of open projects, and/or customer issues. These meetings shall include, if applicable, lessons learned and/or root cause analysis. Contractor Program Manager shall be responsible to provide an agenda for each Weekly Business Review meeting as well as providing notes and action items after each meeting. An action/issues log shall be maintained by Contractor documenting actions, issues and resolutions. Frequency of reviews is subject to change by KPCo.	S	P

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4	<p>Program Manuals Contractor shall develop and maintain a Program Policies and Procedures Manual, which shall include a Program overview, program process flow, KPCo program information, steps to sign up customers for the program, contact information, safety information, and any other pertinent items per KPCo request and subject to approval by KPCo. The Policies and Procedures Manual shall be updated by Contractor's Program Manager, per KPCo approval, at least biannually and any other time KPCo requests.</p>	S	P
5	<p>Program Schedule Contractor shall develop a Program Schedule per KPCo's approval. KPCo shall review and approve any changes to the Program Schedule, if acceptable.</p>	S	P
6	<p>Strategy Planning Contractor shall prepare long term strategic objectives for the Program no later than the end of September each year, which shall include enrollment goals (based on Program projections) for the following year as well as high level projections for the corresponding two years, per KPCo approval. See Appendix B for program projections.</p>	S	P
7	<p>Soliciting, Selecting, and Hiring Staff Contractor shall have an Equal Employment Opportunity policy and policies that conforms to state law in which service is being performed. Contractor shall also include policies that emphasize supplier diversity. In accordance with applicable federal, state, and local laws, Contractor shall make all employment-related decisions without regard to race, color, creed, religion, age, sex, ancestry, national origin, sexual orientation, marital status, domestic partner status, disability, status with regard to public assistance, membership or activity in local commission or status as a qualified protected veteran.</p> <p>KPCo shall have the right to ensure Contractor's employees working on KPCo's EI Program meet the job requirements.</p>		X
8	<p>Auditing/Sales Staff Contractor shall develop a comprehensive staffing plan for field employees. KPCo shall have final approval authority over the Contractor's internal staffing plan for field employees.</p>	S	P
9	<p>Market Analysis During the Program Design Phase, Contractor shall conduct segmentation analysis of customers to prepare for launch of the Program. Contractor shall perform on-going market analysis as warranted and requested by KPCo as the Program progresses. KPCo shall hold Contractor responsible and accountable for any program participation projections that result from market analysis and segmentation.</p>		X

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3.2 Marketing and Advertising

Ref #	Item	KPCo	Contractor
1	Marketing Plan Contractor shall develop a marketing plan for KPCo's approval. The marketing plan shall establish best method(s) for recruiting customers to participate in the program. The marketing plan shall be updated at KPCo's request as needed.	S	P
2	Creative Review Contractor shall provide input as requested by KPCo during the development of creative materials. KPCo shall be responsible for seeing that any input given fits into its corporate strategy with other energy efficiency programs, and maintains the right to not use Contractor's input.	P	S
3	Broadcast & Print Media KPCo and Contractor shall collaboratively develop all advertising products including but not limited to: broadcast media, print media, media placement, media buys, online advertising, bill inserts, and any other media.	P	S
4	KPCo Brand Standards Contractor shall adhere to KPCo brand standards, colors, and design specifications for any collateral or customer documents created by Contractor. KPCo shall provide these standards. Contractor shall not use KPCo's logos or brand standards without the consent and approval of KPCo.	S	P
5	Event Schedule Contractor shall provide personnel and other materials needed at KPCo's scheduled community events. Contractor shall propose a yearly event schedule by the end of November of each year for the following program year with the understanding the schedule shall be subject to change as time progresses. KPCo shall have approval authority over event schedule and maintains the right to add events that Contractor must participate in throughout each program year.	S	P
6	Direct Mail KPCo and Contractor shall collaboratively design, print and mail all direct mail pieces. Customer mailing lists for direct mail pieces shall be determined by KPCo; however Contractor shall provide input, suggested mailing lists and methodologies behind suggestions from Contractor's market segmentation research as requested by KPCo.	P	S
7	Email Campaigns KPCo and Contractor shall collaboratively design all email marketing campaigns and email customer satisfaction surveys. Contractor shall be responsible for developing the emails and tracking responses.	S	P
8	Web Site Development KPCo and Contractor shall collaboratively design and produce informational web content related to the Pprogram.	P	S
9	Collateral KPCo and Contractor shall collaboratively design and write copy for marketing brochures and other Program support	S	P

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	collateral (such as posters, sell sheets, bill inserts, etc.).		
10	PR Opportunities KPCo shall be responsible for securing all PR opportunities (press releases, earned media, etc.) and for any media kits to be distributed regarding the Program. Contractor is prohibited from solely performing any PR related to the Program.		P
11	Social Marketing KPCo shall lead all social media marketing campaigns, including but not limited to Facebook, Twitter, YouTube, etc.	X	
12	Market Research Contractor shall share any previous applicable market research it has conducted with KPCo and shall be responsible for performing initial service territory-specific market research prior to Program Launch which shall be incorporated into Program strategy per KPCo's approval. Contractor shall perform on-going market research as warranted and requested by KPCo as the Program progresses. Contractor shall track and capture data on how customers are finding out about the program.	S	P
13	Customer Surveying Contractor shall design and conduct all customer satisfaction surveys and any other customer surveys. Contractor shall be held accountable and shall be responsible for meeting any Service Level Assessments defined in this SOW pertaining to customer satisfaction survey results and shall produce an action plan within 7 calendar days to resolve all issues where action is deemed necessary by KPCo. The action plan shall specifically identify a root cause and resolution timeline for the identified issue. Contractor shall comply with any and all action that KPCo deems necessary arising from issues and concerns discovered through customer satisfaction surveying, up to and including the termination of Contractor staff and subcontractors from the Program.	S	P
14	Lead Generation & Program Cross-Promotion Contractor shall be responsible for creating and maintaining a lead generation tracking system (within Contractor's customer relationship management system (CRM)/energy assessment software) wherein Contractor sales staff shall identify opportunities for cross-program promotion and lead generation for other KPCo programs to customers, per KPCo's approval. This system shall be functional at Program Launch. Leads shall be provided on a regular basis as determined by KPCo.	S	P

3.3 Customer Service

<i>Ref. #</i>	<i>Item</i>	<i>KPCo</i>	<i>Contractor</i>
1	Toll-free Number Contractor shall provide a single toll-free number for customers calling for information and scheduling. This number shall be		X

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	<p>manned by Contractor, Monday through Friday 8a.m. –5p.m ET. for inbound calls only. After hours callers shall be directed to a voice mail system to leave a message. Contractor shall be accountable for next business day follow-up after a message is left. Contractor shall maintain a customer contact tracking system (within Contractor’s CRM software) that is accessible by KPCo.</p>		
2	<p>Call Center Contractor shall provide a Call Center to support the Program’s toll-free phone number. Contractor shall be responsible for establishing the toll-free phone number and at KPCo’ request transfer ownership if deemed necessary. Contractor shall be responsible for developing scripting for Call Center Representatives per KPCo’s approval. Call Center Representatives shall answer customer questions about the Program and gather the following customer data whenever possible:</p> <ul style="list-style-type: none"> • Customer contact name • Name on utility account • Business address • Best contact phone number • Email • Business type <p>All Contractor Call Center Representatives shall be trained on the EI Program, including an overview of the Program, an in-depth understanding of answers to commonly asked questions, and a marketing calendar that shall be updated as needed. All training material must be approved by KPCo. If applicable, Contractor shall create a “Train the Trainer” training manual for use by the Call Center to be used after initial training from Contractor, with approval by KPCo.</p> <p>For calls beyond the Program scope, Contractor shall provide appropriate contact information to customers that need additional information not related to the Program. KPCo shall provide a listing of contact numbers as well as instruction on each.</p>		X
3	<p>Call Automation Contractor shall develop and maintain full automation capabilities for scheduling callers, hold messaging, multi-caller routing, voice mail, and call reports with statistics.</p>		X
4	<p>Call Monitoring Upon request, Contractor shall allow KPCo to monitor and score calls to ensure communications to customers about the Program are consistent and accurate. Contractor shall also silently monitor calls on a regular basis and address any performance issues. Contractor’s Call Center shall have full call recording capabilities and grant call record access to KPCo for review as requested.</p>		X

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5	<p>Customer Correspondence Contractor shall handle all customer correspondence related to the EI Program. Contractor shall maintain a customer contact/correspondence tracking system (within Contractor's CRM software) that is accessible by KPCo, per KPCo's approval. Contractor shall provide notification to KPCo on correspondence statistics</p>		X
6	<p>Voice Mail Follow-up Contractor shall contact all customers who leave a voice mail within the next business day. Contractor shall maintain a customer contact/correspondence tracking system (within Contractor's CRM software) that is accessible by KPCo, per KPCo's approval, to verify follow-up occurred. If follow-up on customer's initial voicemail results in no contact, Contractor shall leave a voicemail with the customer and follow back up with customer every three business days at different times of the day between standard KPCo business hours until contact is made. Contractor shall make at least 3 attempts. All contact attempts should be tracked. Contractor shall create all scripting and personnel training material around customer follow-up, per KPCo's approval.</p>		X
7	<p>Call Backup Contractor shall maintain a backup system and shall redirect calls to this backup system during emergency situations.</p>		X
8	<p>Appointment Scheduling Contractor shall offer energy assessment and installation scheduling, Monday – Saturday. With final approval from KPCo, Contractor shall propose preferred scheduling strategy (time blocks vs. specific time appointments). Scheduling shall be tracked in Contractor's CRM system, which shall be accessible by KPCo.</p> <p>In terms of installation scheduling, Contractor shall also include scheduled install appointments within CRM system as well, which can be accessed and viewed by KPCo.</p> <p>In the event that an appointment is delayed or missed (including both energy assessment and installation appointments), the late showing or missed appointment must be documented along with the reason Contractor was late/appointment was missed and who requested the appointment cancellation or rearrangement (either Customer or Contractor). All data shall be tracked in the CRM system, with all required information accessible by KPCo.</p>		X
9	<p>Appointment Confirmation Contractor shall provide customers (regardless of scheduling method) a confirmation of their appointment through email (if and whenever possible) the day prior to their scheduled appointment or Contractor shall call customer on the day of appointment at least 30 minutes prior to arrival. Appointment confirmation shall be tracked in Contractor's CRM system, which shall be accessible by KPCo.</p>		X

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	Contractor shall also require that the installation subcontractor place a phone call to customer on the day of installation at least 30 minutes prior to arrival.		
10	Conflict Resolution Contractor shall create and follow a formal customer complaint/conflict process flow, as approved by KPCo. This shall be in place prior to Program Launch.	S	P
11	Training Contractor shall be responsible for creating all staff training material regarding the Program and onboarding plan for new staff, per KPCo approval. Contractor shall also have all staff undergo customer service skills training as well as safety training, with curriculum approved by KPCo.		X
12	Customer Claims Contractor shall follow KPCo-approved policies and procedures to handle customer property damage claims.		X

3.4 Energy Assessments, Customer Proposals, and Authorizations

Ref. #	Item	KPCo	Contractor
1	Energy Assessments Contractor shall conduct free, no obligation energy assessments at the customers' facilities, and record a total and complete inventory of all existing lighting and mechanical systems.		X
2	Energy Assessment Software Tool Contractor shall utilize a single, mobile software platform that integrates all eligible measures into the facility inventory. The platform must be capable of building, tracking and reporting on full facility equipment inventory beyond the scope of what is included in the recommended upgrades. An energy assessment software tool must be functional in calculating Customer Project incentives using the required methodology outlined in Appendix C. The energy assessment software tool must be capable of incorporating certain quality control safeguards (including a prevention mechanism for overestimation of energy savings compared to historical energy usage). Contractor shall integrate any quality control mechanisms in software tool as required by KPCo.		X
3	Incentive Calculation See Appendix C for incentive calculation methodology guidelines.	S	P

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4	<p>Proposal Software platform shall also be capable of producing an instant Proposal incorporating all proposed energy conservation measures. Proposal shall include all information included in “Proposal” definition. Proposal, including all contractual and legal content, is subject to KPCo review and final approval. Any revisions or updates made to Proposal document shall be subject to KPCo review and approval.</p>		X
5	<p>Authorization Forms The customer Proposal, when signed by eligible customer, shall serve as the customer’s authorization to move forward with scheduling installation. Installation of any equipment shall not be completed without a signed Proposal.</p> <p>If there are any changes to the scope of a Customer project, the Contractor shall use KPCo’s approved change order authorization form to obtain customer consent prior to completing any additional work. A change order authorization form must be signed by the eligible Customer.</p> <p>Upon Customer’s Project completion, Contractor shall obtain customer signature to confirm and verify installation of recommended measures. The Customer Project completion form shall contain a scope of all installed measures and a summary of estimated energy savings as approved by KPCo. The Customer Project completion form must be approved by KPCo and signed by the eligible Customer.</p> <p>Contractor shall ensure all authorization forms are completed prior to energy assessments, change order authorizations, installation of any measures and project completion. All authorization forms shall be kept as electronic records for each Customer Project and be accessible when requested by KPCo.</p>		X
6	<p>Landlord Consent Contractor shall use approved landlord consent agreement form in order to gain authorization for energy conservation measure improvements after conducting assessment if facility is tenant-occupied. Landlord consent agreement form shall be subject to KPCo approval.</p>		X
7	<p>Conduct Contractor shall ensure person(s) acting on behalf of KPCo or Contractor shall exhibit professional, courteous demeanor and practice efficient and safe work habits. KPCo reserves the right to conduct random audits of Contractor(s) and all affiliates. Additionally KPCo reserves the right to disallow any Contractor(s) personnel from working on the Program. KPCo shall provide recommended terminations from the Program when warranted.</p>	S	P
8	<p>Compliance Contractor(s) shall adhere to any and all Program policies and procedures. Contractor shall ensure that all Program practices</p>		X

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	are in full compliance of with all policies concerning data privacy and proper use of KPCo customer information		
9	Uniform and Identification KPCo shall provide appropriate and proper company issued uniforms with the EI logo as well as a photo ID badge identifying the employee is a Contractor of KPCo's. Specific number of uniforms per employee shall be determined by KPCo. Uniforms and ID badge must be worn at all times when working on behalf of the EI Program. In the event of employee resignation or termination, all uniforms and ID badge shall be returned to KPCo within one business week. Contractor shall be responsible for developing a replacement, ordering, and reuse of uniform policy, as approved by KPCo.		X
10	Appointment Length Contractor shall minimize the time between initial contact and energy assessment appointment if and whenever possible. All installation work shall be performed within 2 to 4 weeks after proposal acceptance if and whenever possible, and Contractor shall ensure that Customer appointment times are met, unless alternate arrangements are made by the Customer.		X
11	Installation Contractor shall work to ensure that the Customer experiences minimal disruption of business operations during measure installations. Contractor shall also ensure that the turnaround time from signed Proposal to completed installation is less than 45 business days unless Customer requests a date beyond the designated timeframe. Any Customer Project which exceed this time line shall be brought to the attention of KPCo with a documented explanation of the need for extended time requirements.		X
12	Tooling Contractor shall ensure all EI representatives have appropriate vehicles, tools, and equipment necessary for proper transportation and installation of new equipment and removal of old equipment. All equipment shall be in good condition and is subject to inspection by KPCo.		X

3.5 Measures, Equipment Purchase and Inventory

Ref. #	Item	KPCo	Contractor
1	Inventory Contractor shall be responsible for the procurement and inventory of all materials and energy efficient equipment. Equipment shall meet all specifications as set forth by KPCo and is subject to KPCo's review and approval.		X
2	Measures Contractor shall only offer measures as outlined by the approved EI Program design. All lighting measures shall be Consortium for Energy Efficiency (CEE), ENERGY STAR, or Design Lights Consortium (DLC) qualified products. Any	S	P

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	<p>deviation from the approved measures shall constitute grounds for contract termination, unless the equipment is specifically requested by the Customer. KPCo shall not provide incentives in this case.</p> <p>Items necessary to complete installations such as lift rentals, labor and material to remedy electrical code issues, incremental cost for specialty fixtures and incremental cost for prevailing wage shall all be charged directly to Customer without being incentivized.</p>		
3	<p>Measure Pricing Contractor shall adhere to Measure Pricing Matrix according to the current KPCo-approved business rules. This shall be strictly enforced by KPCo. Measure Pricing Matrix is subject to a semi-annual review as well as any periodic reviews deemed necessary by KPCo. Any Contractor-requested edits to the Measure Pricing Matrix shall be submitted to KPCo in advance for review and approval during semi-annual or periodic reviews deemed necessary by KPCo.</p>		X
4	<p>State Hazardous Waste Compliance Contractor shall adhere to any and all state-level hazardous and universal waste requirements that go above and beyond federal requirements.</p>		X
5	<p>Safety Contractor shall produce and adhere to all policies and procedures found within a comprehensive safety manual. Contractor shall provide aforementioned safety manual to KPCo for review and approval prior to Program implementation.</p>		X
6	<p>Quality Control and Audit Contractor shall perform quality control reviews of 100% of sold proposals to ensure veracity and validity of proposed energy conservation measures and estimated savings. KPCo reserves the right to review Proposals and order another assessment be performed or decline payment if a proposal is found to be unacceptable.</p>		X
7	<p>Ventilation Contractor shall take the necessary precautions to ensure employee safety as it relates to proper ventilation of areas where installations may occur.</p>		X
8	<p>Licensing and Reporting Contractor shall own, acquire, and maintain all necessary licensing associated with and for the proper implementation of KPCo's Program. Contractor shall comply with all current and future applicable regulations enforced by the regulatory, permitting and licensing entities involved with the proper installation of electrical equipment.</p>		X
9	<p>Waste Removal & Disposal Contractor shall be responsible for and track all equipment removed from each facility and shall ensure that all general and hazardous materials are disposed of per the laws, regulations, codes and requirements of both state and federal regulations.</p>		X

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	Contractor shall document processes for both hazardous & non-hazardous waste removal, which shall be subject to approval by KPCo. Proof of disposal must be made available within 48 hours upon request. Customers shall be made aware of waste disposal actions and Contractor shall be responsible for ensuring that any worksite is left in a neat and orderly manner with no negative impacts to the Customer's business. For non-hazardous waste, Contractor shall complete daily waste removal from the project site wherever possible, or shall arrange temporary storage at the Customer's site with the Customer's prior written approval.		
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3.6 Program Reporting, Database Tracking and Incentive Processing

<i>Ref. #</i>	<i>Item</i>	<i>KPCo</i>	<i>Contractor</i>
1	Data Transfer Contractor shall comply with KPCo's requirements in using the KPCo-approved secure file transfer protocol (SFTP) method to support data transfers. Contractor shall restrict access of Program information to only those employees working directly on the EI Program or on a need to know basis. All KPCo customer information is deemed confidential regardless of the transfer mechanism employed.	S	P
2	IT Security Contractor shall maintain compliance with KPCo IT Security requirements and shall notify KPCo of any changes that would impact compliance at least one month prior to change occurring.		X
3	Customer, Premise, and Transaction Data File Definitions KPCo will define the tracking and reporting file specifications including the data field names, definitions, data type, and data sizes working within the specified system requirements. Contractor shall be responsible for meeting all file specification requirements.	P	S
4	Participant Data File Contractor shall provide monthly file(s) to KPCo that shall include participant data and Customer Projects completed provided in the format (and with all data fields and specifications) and timeframe required by KPCo.		X

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Ref. #	Item	KPCo	Contractor
5	<p>Program Reports Contractor shall provide ad hoc reports to KPCo as requested as well as regular reports at a frequency determined by KPCo. These reports are subject to KPCo approval and review and may include but are not limited to:</p> <ul style="list-style-type: none"> • Number of customers participating in the Program • Estimated Energy Savings, based on KPCo-approved deemed savings values per measure • Status of Program compared to projections • Financial summary per Program budget, specifically tracking of incentive cap status • Measure information (types of measures installed, number of measures installed, and any other relevant specifications as requested by KPCo) • Updated customer contact information including primary business contact name, email address (es), updated phone number, company name (if different than name on utility account), business type, confirm accuracy of SIC code on file. • Where/how Customer heard about Program • Summary of customer compliments and/or complaints • Reasons for rejection of proposed installations by customer or Contractor • Number of project rescheduled per customer request or Contractor request – clearly marked as “customer” or “Contractor” • Contractor energy audit/sales staff production • Installer production, summary of any issues with installs • Applicable opportunities for program/offer cross-promotion & lead generation for additional KPCo programs 		X
6	<p>KPCo Tracking and Reporting System Files Contractor shall provide the necessary Program data in the format, timeframe and material specified by KPCo and KPCo’s database provider to track program performance on a schedule to be determined by KPCo.</p>		X
7	<p>Eligible Customer List KPCo shall provide a list of customers eligible for the EI Program. An updated list (customer extract) shall be generated at a frequency determined by KPCo. Contractor shall import the KPCo customer extract and prepare Customers’ information for integration with Contractor’s system. Contractor shall set up and maintain the process for updating this data, at least on a quarterly basis. Contractor shall be responsible for any and all work required by KPCo to ensure that the Customer extract meets and is in full compliance with all KPCo IT security policies and procedures prior to the data becoming accessible by Contractor field staff.</p>	P	S

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Ref. #	Item	KPCo	Contractor
8	Back-up Contractor shall restore the networking environment in the event of a disaster. Contractor shall ensure all data is restored, and none is lost, as a result of any disaster or shut down for any period of time. Contractor shall provide disaster recovery plan which is subject to review and approval by KPCo. Contractor shall notify KPCo of any system problems immediately, including the level of severity, estimate of when system shall be back up (if down), and a root cause analysis and plan for prevention of problem in the future.		X
9	Data Information System Updates Contractor shall provide data to KPCo's Customer Information System (CIS), if required. KPCo shall provide access to an SFTP server to facilitate the transfer of large data files.	S	P
10	Data Protection Contractor shall comply fully with any KPCo Third Party Service Provider (TPSP) IT Security and data protection requirements.		X
11	Update Process Validation Contractor shall work closely with KPCo's IT department during the development and testing process. Contractor shall comply with a test plan to ensure proper and correct interfacing of all components within the upload and download process. Contractor shall provide KPCo a primary contact that shall be responsible for working with KPCo's IT representatives during the life of the Customer Project on validation issues that have passed the Contractor's data exception scrubbing process.	S	P
12	Testing Procedures For any and all IT changes, including but not limited to file transfers and file layouts, Contractor shall notify KPCo and provide a test upload file containing a variety of relevant data as mutually defined. The test file shall be created from data generated by the Contractor's system. Additional testing procedures shall be determined by KPCo relative to the system change and shall be followed by the Contractor.		X
13	Data Exception Management Contractor shall perform steps to minimize or eliminate data exceptions in Contractor's customer data systems. Data shall be analyzed and scrubbed for potential data integrity issues with all issues resolved within the next business day of identification of the issue. Contractor shall comply with KPCo requirements on all data scrubbing criteria.		X
14	Software and Hardware for General and Field Office Support Contractor shall provide any software and hardware necessary for general office and field office support, as well as any systems required by KPCo.		X

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Ref. #	Item	KPCo	Contractor
16	<p>Mobile devices Contractor shall provide and maintain mobile devices, which shall be securely loaded with Customer data and used by auditors in the field, and must meet all KPCo security requirements. All mobile devices must meet KPCo's mobile device encryption policy requirements.</p>		X
17	<p>Data Exchange- Other Third-Party Vendors Data shall be exchanged between Contractor, KPCo, and KPCo's designated vendors. Lime Energy can set-up a file for data exchange. Lime can provide this service at no additional cost provided it is in a standards based format. If custom coding is necessary, Contractor will provide KPCo with an estimate to perform that work.</p>	P	S
18	<p>Program Monitoring Software System Contractor shall provide KPCo with a secure, internet accessible software tool (dashboard) which tracks Program progress in near real-time which should include the following minimum features:</p> <ul style="list-style-type: none"> • Initial Customer contact summary which includes but not limited to: <ul style="list-style-type: none"> ○ Customers (leads) not yet contacted & lead source ○ Initial Customer contact ○ Customers in need of follow up ○ Assessments Scheduled ○ Assessments completed ○ Dates/Times for each • Access to actual Customer Proposals • Details on Proposals pending sale as well as sold proposals pending installation • Details on installation progress • Access to Customer Project completion forms • Access to past and present invoices • High-level overview of all of the above categories with at least the following data for each to include but not limited to: <ul style="list-style-type: none"> ○ Project price ○ Incentive amount ○ kW savings ○ kWh savings ○ Total MWh savings to date installed by month/year ○ Total MWh savings to date sold by month/year ○ Total projects sold by month/year ○ Total projects completed by month/year 		X

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3.7 Incentive Processing

Ref. #	Item	KPCo	Contractor
1	<p>Data Capture Contractor shall verify all information required by KPCo is captured during appointment scheduling and installation.</p>		X
2	<p>Invoicing - Quality Control Contractor shall comply with any quality control processes pertaining to invoices required by KPCo. In the event of a duplicate payment, Contractor shall provide credit (s) on next invoice to KPCo. Contractor shall consult with KPCo and review lessons learned and perform a root cause analysis.</p>	S	P
3	<p>Invoicing Contractor shall invoice KPCo on a bi-weekly basis for payments. Payments for the incentive and implementation portion of each EI project shall be the only reimbursement Contractor shall receive from KPCo (incentive calculated on a \$0.____/kWh basis and capped at 70% of the total project price for each Customer Project). See Appendix A for full compensation schedule details. KPCo shall only be invoiced for completed projects wherein the installation is complete and a signed project completion form has been obtained from the customer. Payments shall be remitted by KPCo on NET 45-days payment terms. Invoicing should include services provided, including but not limited to the following information at a minimum for each project included within the invoice:</p> <ul style="list-style-type: none"> • Customer name and address • Date of completed installation • Number and type of measures installed • Total project price • Incentive Amount • Number of Customers serviced • Total estimated kWh savings <p>Total costs of measures installed at Customer's site, with KPCo's up to 70% of total incentive to Contractor clearly marked.</p> <p>Contractor shall comply with any and all KPCo requirements on additional invoicing detail. Contractor shall comply with all quality control processes pertaining to invoicing required by KPCo. Before an invoice is submitted to KPCo, all Customer Projects shall be reviewed to ensure complete accuracy compared to all supporting documentation for each Customer Project.</p> <p>When an invoice is submitted for review by KPCo, if the cost details of a Customer Project (either the incentive portion of the cost which requires payment from KPCo or the Customer's portion of the project costs) listed on an invoice differs from the supporting documentation (project completion form) due to</p>	S	P

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Ref. #	Item	KPCo	Contractor
	<p>a change order or any other factor, this reasoning shall be tracked, documented and explained in a manner acceptable to and approved by KPCo.</p> <p>Invoices submitted to KPCo shall be fully accurate, meeting all criteria required by KPCo on 100% of invoices. If any issues arise, these issues must be fully corrected and an updated invoice must be submitted to KPCo, containing all corrections, within 1 business day of request. Contractor shall avoid, to the best of its ability, submitting a Customer Project incentive for payment more than once. In the event that a duplicate payment is discovered (i.e. a Customer Project incentive, which has already been paid by KPCo, is submitted again on a following invoice in error), Contractor shall credit KPCo on the next invoice.</p> <p>Contractor shall consult with KPCo and review lessons learned and perform a root cause analysis on each such error, due to KPCo within 7 calendar days of error discovery.</p>		
4	<p>Proof of Installation Contractor shall provide proof of installations by obtaining signatures from Customers upon completion of every Customer Project prior to invoicing. Copies of signed project completion forms shall be accessible by KPCo from the internet accessible software tool (dashboard).</p>		X
5	<p>Customer Extended Payment Option Contractor shall administer and offer self-funded, zero interest extended payment option to Program participants for customer's portion of EI Project costs. Contractor will offer Customers two (2) choices for payment of the non-incentivized portion of Customer's Project: a 12 month payment plan requiring equal monthly payments for 12 months to pay off non-incentivized Customer Project costs; or upon project completion, Customer may elect to pay a lump-sum and receive a 1-12% discount. Contractor assumes full responsibility including underwriting for any associated financial obligations. Contractor will comply with all truth in lending requirements related to such financing plans and shall indemnify KPCo for any costs or expenses that KPCo incurs due to Contractor's failure to comply or alleged failure to comply with all laws related to such financing arrangements.</p>		X
6	<p>Customer Extended Payment Option Contractor shall provide a clear explanation of extended payment options to Customers, including but not limited to:</p> <ul style="list-style-type: none"> • Additional forms that must be completed by Customer • Financing terms and conditions • Customer authorization to complete financing transaction • Copies of all forms as requested <p>All forms shall be subject to KPCo's review and approval, which review and approval shall in no way excuse Contractor</p>		X

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<i>Ref. #</i>	<i>Item</i>	<i>KPCo</i>	<i>Contractor</i>
	for its obligations as set forth above related to Customer financing options.		

3.8 Standards, Warranties, and Quality Assurance

<i>Ref #</i>	<i>Item</i>	<i>KPCo</i>	<i>Contractor</i>
1	Subcontractor Issues Contractor shall notify any subcontractors of Customer complaints and handle any inappropriate conduct in a manner to remedy the problem, including cancellation of any subcontractor agreements or removal of any persons as necessary. Additionally KPCo reserves the right to disallow subcontractors from working on the Program.		X
2	Hazardous Conditions Contractor shall report any hazardous or unsafe working conditions to the customer.		X
3	Equipment Performance Contractor shall ensure all equipment offered meets any and all equipment standards as required by KPCo. Contractor shall notify KPCo of all unusual and/or recurring Customer equipment performance problems, and shall describe the resolution of all warranty work related to such problems.		X
4	Warranty Minimum Contractor shall offer a minimum of one-year warranty including labor from the date of original installation or reinstallation in the case of a warranty claim of each measure.		X
5	Warranty The warranty packet provided to Customers shall indicate any other product warranties available and offered to the Customer. Contractor shall establish a dedicated warranty hotline for Customers to call with any warranty or equipment-related issues. Contractor shall fully describe their warranty processes and procedures to Customers during sale.		X
6	Customer Complaint Resolution Contractor shall establish a formal process for Customer complaint documentation and resolution, which shall be subject to review and final approval by KPCo.		X
7	Quality Assurance/Quality Control Procedures. Contractor shall inspect a minimum of 30% of all completed installations for quality assurance purposes. Details and findings of quality assurance inspections shall be provided to KPCo in the format required at KPCo request. The details of the QA inspection report shall be determined and approved by KPCo with Contractor input.		X
8	Standards All work shall conform to all existing state and local building codes. The work shall also conform to standard industry practices. In all cases, lighting shall be maintained at safe and acceptable levels consistent with Illuminating Engineering		X

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	Society of North America standards.		
9	<p>Inspections KPCo reserves the right to inspect energy assessments for accuracy and quality as well as inspect facilities prior to equipment installation where an assessment has been completed. KPCo also reserves the right to inspect facilities wherein Contractor has completed installations. KPCo reserves the right to inspect Contractor's facilities and associated compliance documentation as it relates to the proper disposal of waste.</p>	P	S
10	<p>Audits Contractor shall be subject to auditing of program financials, reports, and other relevant documentation as it relates to KPCo's EI Program. KPCo reserves the right to inspect all books, accounts, records, and other writings related to the performance of the Program.</p>	P	S

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4 Appendices

4.1 Appendix A: Compensation Schedule

The EI Program shall be administered by KPCo as a pay-for-performance program. Contractor shall only be paid for the kWh savings impacts delivered through the EI Program and only after eligible energy efficiency measures have been installed at the participating Customer's facility, a Customer Project completion form has been signed by the Customer, and KPCo has reviewed and approved project details prior to approving invoicing.

The Contractor shall be compensated at a rate of [REDACTED] per kWh saved per EI Project, paid up to the point in which the incentive value reaches 70% of the total project cost, per Customer Project. This \$[REDACTED] per kWh saved shall be calculated using input methodologies provided by KPCo (see Appendix C for incentive calculation input requirements). Compensation shall never exceed 70% of final project costs per Customer Project. All incentive payments are subject to KPCo approval on a per project basis.

Contractor shall invoice KPCo on a bi-weekly basis for incentive payments. Payments shall be remitted by KPCo on NET 45-day payment terms.

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4.2 Appendix B: Program Projections

All Projections are forecasted and may be revised at KPCo's sole discretion.

KPCo	2016	2017	2018
Annual MWh Goal	711	800	889

Year	Projects	Avg Project size (MWh)	Avg Project size (KW)	MWh savings	KW Savings
2016	49	14.6	2.466	711	112
2017	54	14.7	2.474	800	126
2018	63	14.1	2.476	889	140
Totals	166			2,400	378

Year	kWh Savings	Incentive Rate (\$/kWh)	Total Annual Budget
2016	711,000		
2017	800,000		
2018	889,000		

Service Level Assessments

1. At a minimum, 80.00% of all Program participants need to indicate a 7 or above (on a 10 point scale) when responding to survey question rating "overall satisfaction" with the Small Business Energy Saver program.
2. All Customer issues identified through the Customer satisfaction survey for which KPCo deems action is required shall be addressed in an action plan submitted to and approved by KPCo within 7 calendar days of action required notification.

The action plan shall specifically identify a root cause and resolution timeline for the identified issue.

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4.3 Appendix C: Incentive Calculation Methodology

To calculate Program incentives per project, Contractor shall use the currently approved deemed full load hours which correspond to the facility's appropriate SIC code. The selected deemed full load hours (FLH) shall then be multiplied by the fixture wattage difference between the existing equipment and the proposed replacement equipment. Industry accepted and approved actual fixture wattages shall be used for existing equipment. Proposed equipment shall use manufacturer's specifications documentation for fixture/input wattage data. No coincidence factors shall be included in the savings calculations.

Contractor shall provide KPCo with a proposed comprehensive deemed FLH table by facility type that indicates the SIC codes which correspond with the listed business types (see example below), for which KPCo holds final approval authority. In the event that the operating hours of a facility differ from the corresponding building type's FLH amount in the approved table, Contractor shall only adjust the hours down to reflect actual operating hours. Any adjustments shall be tracked and reported to KPCo. Contractor shall never adjust hours higher than the number indicated within the FLH table for that building type. If Contractor determines that a Customer's SIC code is reported incorrectly, Contractor shall choose the appropriate FLH amount for the correct SIC code and report the change to KPCo for approval. In the case of exterior lighting, Contractor shall have the authority to select the actual hours of operation. Exterior lighting shall be indicated as a separate line item on Customer proposals and any reporting to KPCo.

$$\text{Project Incentive} = (\text{FLH} * (\text{EFW} - \text{PFW})) * \text{ICR}$$

FLH = Deemed Full Load Hours

EFW = Existing Fixture Wattage (actual)

PFW = Proposed Fixture Wattage

ICR = Incentive Calculation Rate (\$0.22/kWh) – Incentive capped at 80% of total project cost per project

Contractor's software tool shall have the ability to simultaneously calculate the estimated kWh savings based on a facility's actual hours of operation along with the incentivized kWh savings based on the deemed operating hours of the business type. In order to accurately advise the Customer on the expected energy savings of the proposed project, the Proposal shall include estimated kWh savings based on the facility's actual operating hours or lighting burn hours of particular fixtures. However, the incentive amount included on the Proposal shall only be based on the business type's appropriate deemed operating hours and any applicable gross actual Program MWh RR (as described in Appendix D).

To calculate Program incentives per project for HVAC and refrigeration measures, Contractor shall provide KPCo with a detailed explanation of proposed savings calculation methodologies for approval by KPCo.

Example Deemed Full Load Hour Table

Building Type	Full Load Hours	Corresponding SIC Code(s)
Commercial bank or credit union	3748	6021, 6022, 6029, 6061, 6062, etc.

Change Control Plan

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Scope

This document will outline an approved process for handling Change Control including, but not limited to, documentation, approval, rejection and reporting. This process shall be used to make changes to the existing work outlined and approved by all parties in the executed contracting instrument. The process shall be used to make adjustments to the existing work including adding measures, changing incentives and other minor changes. This does not include revisions to the general terms and conditions, payment terms or length of the contract. This document shall not be used in the addition of work that could be defined under a separate executed contracting instrument. For example, this shall not be used to separate funding to add a program in place of following the Procurement Policy.

A. Change Control Board

A formally constituted group of stakeholders responsible for reviewing, evaluation, approving, delaying, or rejecting changes to a project, with all decisions and recommendations being recorded.

A Change Control Board (CCB) will be defined to review, approve, reject and disposition any submitted changes to the project. The CCB will include a representative from AEP and a representative from the vendor. The representatives from the AEP and the vendor will have the decision making responsibility in the CCB. The CCB will have authority to approve, reject or delay any submitted Change Order at any step in the process and the decision will be recorded.

Note - If the change impacts the budget of the program, the AEP CCB members will have the authority to review and accept the Change Order but not the authority to sign the document. See CCB Approves/Rejects Change section for additional details.

a. CCB Matrix

AEP Approver	Vendor Approver
E. J. Clayton – Mgr. EE & Consumer	Jonathan Murano – Sr VP Operations

B. Change Order Form

Requests to expand or reduce the project scope, modify policies, processes, plans, or procedures, modify costs or budgets, or schedules.

The Change Order Form is the formally approved document used in the Change Order process. Any supporting documentation for the change should be attached to the Change Order and retained according to this Change Order Plan. Change Orders will be numbered based on the date of the

Change Order and the incremental number of the orders. The first Change Order will be 1. For example on 12/9/2013 the first Change order will be numbered CO1209131.

C. Change Order Manager

A Change Order Manager will be established to help facilitate the movement of changes for the project. The Change Order Manager will monitor the changes from creation to closure and will be the administrator responsible for the changes.

Change Control Manager	Scott Bishop – Kentucky Power
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D. Change Control Log

The Change Control Log will be used to document changes associated with this project. It will keep the following information at a minimum:

- a. Date of Creation*
- b. Number of the Change Order*
- c. Date Submitted to CCB*
- d. Disposition*
- e. Short Description*

E. Change Order Process

a. Identify Change

Any stakeholder in the project may identify a need for a change in the project or the product.

b. Initiate Change Order

The stakeholder that identifies the change may initiate the process by completing the section identified in the Change Order Form. The stakeholder that identifies the change

may also defer to another stakeholder to complete the form but that stakeholder should be involved in the completion of the form to ensure the change is captured correctly.

c. Submit Change Order

Once the Change Order has been initiated and the sections identified in the Change Order Form have been completed the form will be submitted to Change Order Manager. The Change Order Manager will log the change and include it in the weekly meetings, defined in the Communication Plan, for the CCB to complete an initial review. This initial review will allow the CCB to analyze the change and determine if it is something that should be investigated.

On determination that the change should be further investigated the CCB will accept the Change Order by assigning it a number.

If the Change Order is rejected it will follow the steps listed in the Change Order Rejection section.

d. Assign Change Order

Once the Change Order has been accepted by the CCB the Change Order Manager will work with representatives from the appropriate organization to assign it to the appropriate Subject Matter Expert(s) (SME). The appropriate SME(s) will be determined by the point of contact for the corresponding group as identified in the Communication Plan.

e. Create High Level Estimate for Investigation

The assigned SME(s) will be responsible for creating a top down estimate on the hours and material required to investigate the Change Order. The SME(s) will provide this information to the Change Order Manager to be recorder in the appropriate section of the Change Order Form.

f. Approve Investigation

Once the Change Order Form has been updated, the CCB will review the estimate to approve the investigation into the change.

If the Change Order is rejected it will follow the steps listed in the Change Order Rejection section.

g. Change Impacts Reported

Once the Change Order is approved, the SME(s) will investigate, from a bottom up level, the impact to the following as a minimum to the CCB for review of the Change Order. The Change Order Manager will enter this information into the Change Order Form in the appropriate sections.

i. Cost

All costs associated with the change must be reported on the Change Order Form. These may include, but are not limited to, labor costs, material costs or consulting costs.

ii. Schedule

All impacts to the schedule must be reported. This includes, but is not limited to, float days, critical path, completion date and adjustments needing to be made because of holidays and vacations.

iii. Hierarchy of Changes

Once the project has started it is understood that there may be multiple Change Orders that are open, being worked on or waiting for resources. It must be communicated where this change will fall on the priority list and how that impacts the hierarchy of changes.

iv. Open Changes

Once the project has started it is understood that there may be multiple Change Orders that are open, being worked on or waiting for resources. It is understood that a change can impact specific items associated with open changes. This includes, but is not limited to, tasks, deliverables, milestones or resources allocation. The impacts to the other open changes must be communicated.

h. CCB Approves/Rejects Change

After the SME(s) have updated the Change Order document the CCB will review the document. During this review the CCB is given the opportunity to ask additional questions to the SME(s) to obtain further clarity on the change and its impacts. The SME(s) will be given additional time if needed to provide answers to these questions. This length of time given will be agreed on by both the CCB and the SME(s).

Once the Change Order has been finalized it will be submitted to the Vendor's CCB for approval. After the Change Order has been signed by the authorized agent from the Vendor the Change Order will be routed to AEP's CCB.

Each CCB will be given 5 business days to approve the change. This duration does not include time for the SME(s) to respond to questions about the change. Once the SME(s) respond the time for the CCB to approve the change will reset and each CCB will have 5 business days to approve the change.

If a CCB cannot approve the change within the 5 day time period the change will be passively rejected. If the Change Order is rejected it will follow the steps listed in the Change Order Rejection section.

If a CCB member is unavailable during the approval period of the change, the missing member can either select a replacement to fill in or the member may choose to delay all approvals until they return. The max duration for a CCB member to be absent and select to delay all approvals is 5 business days. The CCB member must select a replacement for any planned absence beyond five (5) days. In the event of an unexpected absence, the CCB's supervisor may select a replacement.

If the change impacts the budget of the program, the AEP CCB member(s) will have the authority to review and accept the Change Order but not the authority to sign the document. Once the Change Order has been accepted, the Change Order Manager will be responsible to obtain signatures from an authorized signee at the dollar level of the total budget with the addition for the change for the correct business unit.

It is the role of the Change Order Manager to track the dates and timing of the change in the Change Order Log.

i. Project Baseline Update/Distribution

Once the change has been approved the Change Order Manager will work with the project leaders to update the cost and delivery baselines in the Project Plan. After this has been completed the Change Order Manager will send an email to the appropriate stakeholders to notify them of the changes to the baseline. The Change Order Manager may attach any supporting document required to help the recipients understand the change.

The Change Order Manager will facilitate a meeting to update the Risk Register based on the change. The Change Order Manager will work with the appropriate groups to identify the attendees required for this meeting. During this meeting the Risk Register will be reviewed and updated.

F. Change Order Rejection

At any time the Change Order can be rejected. If the Change Order is rejected, it will be updated in the appropriate section and the Change Order will follow the document retention section of this document. Any rejected Change Order can be resubmitted to the CCB at any time. The resubmitted Change Order will be assigned a new number and the Change Order will be treated as a new Change Order but will be noted as a resubmission.

G. Document Retention

All Change Order Forms and supporting documents will be kept through the life of the project. These documents will be stored in a manner that allows easy access to any stakeholder. At the completion of the project, in the closing phase, the team should review the changes and update the lessons learned document from lessons learned based on the changes to the project. After this has been completed the Change Order Manager can disposition the Change Orders and the associated documentation.

H. Glossary

Risk Register – The document containing the results of the qualitative risk analysis, quantitative risk analysis, and risk response planning. The risk register details all identified risks, including description, category, cause, probability of occurring, impacts(s) on objectives, proposed responses, owners, and current status.

Certificate Of Completion

Envelope Id: 8EA9044490D84273987332D52D3EAA8D

Status: Completed

Subject: Kentucky Power Company Work Authorization No. 0283969110001X110 - Lime Energy

Source Envelope:

Document Pages: 38

Signatures: 3

Envelope Originator:

Certificate Pages: 3

Initials: 5

Sarah Padgett

AutoNav: Enabled

1 Riverside Plz FL 1

Enveloped Stamping: Enabled

Columbus, OH 43215-2373

Time Zone: (UTC-05:00) Eastern Time (US & Canada)

sjpadgett@aep.com

IP Address: 167.239.221.84

Record Tracking

Status: Original

Holder: Sarah Padgett

Location: DocuSign

4/19/2016 2:42:58 PM

sjpadgett@aep.com

Signer Events

Signature

Timestamp

Jennifer Downey



Sent: 4/19/2016 2:50:33 PM

jldowney@aep.com

Viewed: 4/19/2016 2:51:08 PM

Category Manager

Signed: 4/19/2016 3:53:05 PM

American Electric Power Service Corporation

Using IP Address: 167.239.221.86

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

ID:

Matt Curtis



Sent: 4/19/2016 3:53:07 PM

mpcurtis@aep.com

Viewed: 4/19/2016 4:10:45 PM

Mgr, T & D Contracts

Signed: 4/19/2016 4:11:03 PM

American Electric Power Service Corporation

Using IP Address: 167.239.221.87

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

ID:

Scott Bishop



Sent: 4/19/2016 4:11:05 PM

sebishop@aep.com

Viewed: 4/19/2016 4:36:29 PM

Security Level: Email, Account Authentication (None)

Signed: 4/19/2016 5:03:22 PM

Using IP Address: 167.239.221.84

Electronic Record and Signature Disclosure:

Accepted: 12/31/2014 11:09:00 AM

ID: 1477c2e8-a1c4-4fa5-8d85-0cab2b6468bc

EJ Clayton



Sent: 4/19/2016 5:03:25 PM

ejclayton@aep.com

Viewed: 4/20/2016 9:58:15 AM

Manager EE and Consumer Programs

Signed: 4/20/2016 10:15:00 AM

Security Level: Email, Account Authentication (None)

Using IP Address: 167.239.221.84

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

ID:

Signer Events

Tom Pirone
 tpirone@lime-energy.com
 Vice President
 Security Level: Email, Account Authentication
 (None)

Signature

DocuSigned by:

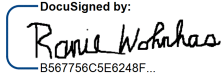
 5252A8CAB3AE478...
 Using IP Address: 216.85.165.82

Timestamp

Sent: 4/20/2016 10:15:02 AM
 Viewed: 4/20/2016 11:10:52 AM
 Signed: 4/20/2016 11:17:50 AM

Electronic Record and Signature Disclosure:
 Accepted: 4/20/2016 11:10:52 AM
 ID: 63c229a2-3127-469b-95d1-9b8db0fca427

Ranie Wohnhas
 rkwohnhas@aep.com
 Managing Director Regulatory and Finance
 Security Level: Email, Account Authentication
 (None)

DocuSigned by:

 B567758C5E6248F...
 Using IP Address: 167.239.221.83

Sent: 4/20/2016 11:17:53 AM
 Viewed: 4/20/2016 11:44:51 AM
 Signed: 4/20/2016 11:46:56 AM

Electronic Record and Signature Disclosure:
 Not Offered via DocuSign
 ID:

In Person Signer Events**Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp****Certified Delivery Events****Status****Timestamp****Carbon Copy Events****Status****Timestamp**

Kristen J. Huckaby
 kjhuckaby@aep.com
 Supervisor, T&D Contract Administration
 American Electric Power Service Corporation
 Security Level: Email, Account Authentication
 (None)
 Electronic Record and Signature Disclosure:
 Not Offered via DocuSign
 ID:

COPIED

Sent: 4/20/2016 11:47:00 AM

Notary Events**Timestamp****Envelope Summary Events****Status****Timestamps**

Envelope Sent	Hashed/Encrypted	4/20/2016 11:47:00 AM
Certified Delivered	Security Checked	4/20/2016 11:47:00 AM
Signing Complete	Security Checked	4/20/2016 11:47:00 AM
Completed	Security Checked	4/20/2016 11:47:00 AM

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record.

Please confirm your agreement by clicking the 'I agree' button at the bottom of this document.