



# Conservation Plans Through 12/13/11 for:





Location ID:	26226
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	9/21/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	0 kWh	0 kBTU	37175 kBTU	0 kBTU
Cooling	467 kWh	0 kBTU	0 kBTU	
Base	16000 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>16,467 kWh</b>	<b>0 kBTU</b>	<b>37,175 kBTU</b>	<b>0 kBTU</b>
	21100 kWh	0 kBTU	37175 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Can lights need insulating and sealing
- Needs insulation replaced that is accessible
- Attic needs 8 + inches installed
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Floor penetrations need caulking and sealing
- Fireplace needs caulking and sealing
- Exhaust Fan in ceiling need sealing and closing off

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
-2162 kWh (Elec)	2,471 kWh (Elec)	2,471 kWh	0.12 /kWh	\$297
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
37175 kBTU (Propane)	37,175 kBTU (Propane)	400 Gal	2.88 /Gal	\$1,151

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$121**  
before monthly HowSmart Charge

### Financing

**\$9,720.91** Cost of Improvements (est):  
**\$1,944.18** Kentucky Home Performance

**\$7,776.73** Utility Contribution  
**\$14,858** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$56** Monthly Charge  
47% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$56	\$109		
Capital Investment	\$7,777	\$14,858		
Project Fee(s)	4.50% \$350	\$669	Payback Period (years)	15
Capital Fee	0.50% \$39	\$74	Cost of Capital	3%
Total Interest over life of payback	<u>\$2,023</u>	<u>\$4,018</u>		
Total Cost over life of payback	\$10,150	\$19,545		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



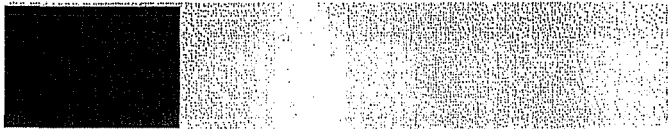
Energy Efficiency for Everyone

**GENERAL**

Location Number 26226  
Date of Assessment 9/21/2011  
Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**

2471	Projected Savings (kWh)
\$56.39	Calculated Monthly Payment
\$9,720.91	Value of Measures*
\$1,944.18	Kentucky Home Performance*

**1. RETROFIT MEASURES**

Exhaust Fan in ceiling need sealing and closing off  
Fireplace needs caulking and sealing  
Floor penetrations need caulking and sealing  
Replace HVAC Cooling with New HVAC Cooling System.  
Replace HVAC Heating with New HVAC Heating System.  
Attic needs 8+ inches installed  
Needs insulation replaced that is accessible  
Can lights need insulating and sealing

\$7,776.73	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$300.95	Utility Admin Fee*
\$38.88	Capital Fee*
\$8,165.56	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

- 4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.
- 4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.
- 4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.
- 4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.



The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/Its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	204119
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	4/27/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	6,490 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	270 kWh	0 kBTU	0 kBTU	
Base	12000 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>18,760 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	19000 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install R-19 insulation in floor.
- Add Insulation in attic to 15" total from existing.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
2024 kWh (Elec)	2,264 kWh (Elec)	2,264 kWh	0.12 /kWh	\$272
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$23**  
before monthly HowSmart Charge

### Financing

<b>\$4,824.82</b>	<b>Cost of Improvements (est):</b>	<b>\$2,580.48</b>	<b>Utility Contribution</b>
<b>\$964.96</b>	<b>Kentucky Home Performance</b>	<b>\$2,788</b>	Not to Exceed Amount (90% of Savings)
<b>\$550.00</b>	<b>Customer Contribution</b>	@ 3%	
<b>\$729.38</b>	<b>Rebates - Utility</b>	over 15 years	
		<b>\$19</b>	<b>Monthly Charge</b>
		83%	of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but not limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

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Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$19	\$20		
Capital Investment	\$2,580	\$2,788		
Project Fee(s)	4.50% \$116	\$125	Payback Period (years)	15
Capital Fee	0.50% \$13	\$14	Cost of Capital	3%
Total Interest over life of payback	<u>\$671</u>	<u>\$754</u>		
Total Cost over life of payback	\$3,368	\$3,668		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number 204119  
 Date of Assessment 4/27/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**

2264	Projected Savings (kWh)
\$18.71	Calculated Monthly Payment
\$4,824.82	Value of Measures*
\$964.96	Kentucky Home Performance*
\$550.00	Customer Contribution*
\$729.38	Rebates - Utility*
\$2,580.48	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$67.12	Utility Admin Fee*
\$12.90	Capital Fee*
\$2,709.50	Total Cost of Retrofit

**1. RETROFIT MEASURES**

Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Add Insulation in attic to 15" total from existing.  
 Install R-19 Insulation in floor.

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

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**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

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7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.



8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	23247
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	8/4/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	4,230 kWh	0 kBTU	17131 kBTU	0 kBTU
Cooling	2460 kWh	0 kBTU	0 kBTU	
Base	12700 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>19,390 kWh</b>	<b>0 kBTU</b>	<b>17,131 kBTU</b>	<b>0 kBTU</b>
	17300 kWh	0 kBTU	17131 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install Moisture Barrier 6 mil black plastic lap on wall 12" and seal in place
- Install R-19 insulation in floor.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Seal to .35 ACH down to 70%

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
4353 kWh (Elec)	2,263 kWh (Elec)	2,263 kWh	0.12/kWh	\$272
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
17131 kBTU (Propane)	17,131 kBTU (Propane)	184 Gal	2.88 /Gal	\$531

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$67**  
before monthly HowSmart Charge

### Financing

\$6,970.00	Cost of Improvements (est):	\$4,870.64	Utility Contribution
\$1,394.00	Kentucky Home Performance	\$8,232	Not to Exceed Amount (90% of Savings)
\$705.36	Rebates - Utility	@ 3%	
		over 15	years
		<b>\$35</b>	Monthly Charge
		53%	of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$35	\$60		
Capital Investment	\$4,871	\$8,232		
Project Fee(s)	4.50% \$219	\$370	Payback Period (years)	15
Capital Fee	0.50% \$24	\$41	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,267</u>	<u>\$2,226</u>		
Total Cost over life of payback	\$6,357	\$10,828		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



Energy Efficiency for Everyone

**GENERAL**

Location Number 23247  
 Date of Assessment 8/4/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**



**1. RETROFIT MEASURES**

Seal to .35 ACH down to .70%  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install R-19 insulation in floor.  
 Install Moisture Barrier 6 mil black plastic lap on wall 12" and seal in place

2263	Projected Savings (kWh)
\$35.32	Calculated Monthly Payment
\$6,970.00	Value of Measures*
\$1,394.00	Kentucky Home Performance*
\$705.36	Rebates - Utility*

\$4,870.64	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$170.18	Utility Admin Fee*
\$24.35	Capital Fee*
\$5,114.17	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

#### **7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

#### **8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

\_\_\_\_\_  
Name: Date: (Owner)

\_\_\_\_\_  
Name: Date: (Account holder - if different)

\_\_\_\_\_  
Name: Date: (Utility Representative)



Location ID:	24397
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	8/3/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	6,790 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	2010 kWh	0 kBTU	0 kBTU	0 kBTU
Base	18900 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Total (yr)</b>	<b>27,700 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	26900 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Replace 6 windows.
- Install R-19 insulation in floor.
- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Seal Attic Hatch
- Seal around Sliding Door

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
5157 kWh (Elec)	4,357 kWh (Elec)	4,357 kWh	0.12 /kWh	\$523
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$44**  
before monthly HowSmart Charge

### Financing

\$8,128.66 Cost of Improvements (est):

\$3,078.88 Utility Contribution

\$2,625.18 Customer Paid for Item(s)

\$5,366 Not to Exceed Amount (90% of Savings)

\$1,625.73 Kentucky Home Performance

@ 3%  
over 15 years

\$798.87 Rebates - Utility

**\$22 Monthly Charge**

51% of projected savings



## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$22	\$39		
Capital Investment	\$3,079	\$5,366		
Project Fee(s)	4.50% \$139	\$241	Payback Period (years)	15
Capital Fee	0.50% \$15	\$27	Cost of Capital	3%
Total Interest over life of payback	<u>\$801</u>	<u>\$1,451</u>		
Total Cost over life of payback	\$4,019	\$7,058		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number 24397  
 Date of Assessment 8/3/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

**1. RETROFIT MEASURES**

Seal around Sliding Door  
 Seal Attic Hatch  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Add Insulation in attic to 15" total from existing.  
 Install R-19 Insulation in floor.  
 Replace 6 windows.

4357	Projected Savings (kWh)
\$22.33	Calculated Monthly Payment
\$8,128.66	Value of Measures*
\$2,625.18	Customer Paid for Item(s)*
\$1,625.73	Kentucky Home Performance*
\$798.87	Rebates - Utility*
\$3,078.88	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$89.55	Utility Admin Fee*
\$15.39	Capital Fee*
\$3,232.82	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

- 4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.
- 4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.
- 4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.
- 4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	205834
Name	[REDACTED]
OwnerName	
Phone	--
Assessor	Roger Medlock
Date	6/6/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	4,390 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	1850 kWh	0 kBTU	0 kBTU	
Base	9480 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>15,720 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	13900 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install R-19 insulation in floor.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
3360 kWh (Elec)	1,540 kWh (Elec)	1,540 kWh	0.13 /kWh	\$200
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$17**  
before monthly HowSmart Charge

### Financing

\$5,575.00 Cost of Improvements (est):

\$1,115.00 Kentucky Home Performance

\$1,800.00 Customer Contribution

\$747.54 Rebates - Utility

\$1,912.46 Utility Contribution

\$2,055 Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$14 Monthly Charge**

83% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$14	\$15		
Capital Investment	\$1,912	\$2,055		
Project Fee(s)	4.50% \$86	\$92	Payback Period (years)	15
Capital Fee	0.50% \$10	\$10	Cost of Capital	3%
Total Interest over life of payback	<u>\$498</u>	<u>\$556</u>		
Total Cost over life of payback	\$2,496	\$2,703		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



Energy Efficiency for Everyone

**GENERAL**

Location Number 205834  
 Date of Assessment 6/6/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

**1. RETROFIT MEASURES**

Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Install R-19 Insulation In floor.

1540	Projected Savings (kWh)
\$13.87	Calculated Monthly Payment
\$5,575.00	Value of Measures*
\$1,115.00	Kentucky Home Performance*
\$1,800.00	Customer Contribution*
\$747.54	Rebates - Utility*
\$1,912.46	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$37.06	Utility Admin Fee*
\$9.56	Capital Fee*
\$2,008.08	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.



The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	203749
Name	[REDACTED]
OwnerName	
Phone	--
Assessor	Roger Medlock
Date	4/7/1989

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	6,910 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	423 kWh	0 kBTU	0 kBTU	
Base	5467 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>12,800 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	12800 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install Programmable Thermostat.
- Seal Duct Work to 10% of fan capacity.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Add Insulation in attic to 12" total from existing.
- Reduce Airleakage from 1199 to 1086 CFM50

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
2498 kWh (Elec)	2,498 kWh (Elec)	2,498 kWh	0.12 /kWh	\$300
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$25**  
before monthly HowSmart Charge

### Financing

\$5,174.60 Cost of Improvements (est):

\$2,509.08 Utility Contribution

\$1,034.92 Kentucky Home Performance

\$3,076 Not to Exceed Amount (90% of Savings)

\$500.00 Customer Contribution

@ 3%  
over 15 years

\$544.00 Rebates - Utility

**\$18 Monthly Charge**

\$586.60 Customer Paid for Item(s)

73% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$18	\$22		
Capital Investment	\$2,509	\$3,076		
Project Fee(s)	4.50% \$113	\$138	Payback Period (years)	15
Capital Fee	0.50% \$13	\$15	Cost of Capital	3%
Total Interest over life of payback	<u>\$653</u>	<u>\$832</u>		
Total Cost over life of payback	\$3,275	\$4,047		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number 203749  
 Date of Assessment 4/7/1989  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

**1. RETROFIT MEASURES**

Reduce Airleakage from 1199 to 1086 CFM50.  
 Add Insulation in attic to 12" total from existing.  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Seal Duct Work to 10% of fan capacity.  
 Install Programmable Thermostat.

2498	Projected Savings (kWh)
\$18.19	Calculated Monthly Payment
\$5,174.60	Value of Measures*
\$1,034.92	Kentucky Home Performance*
\$500.00	Customer Contribution*
\$544.00	Rebates - Utility*
\$586.60	Customer Paid for Item(s)*
\$2,509.08	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$63.91	Utility Admin Fee*
\$12.55	Capital Fee*
\$2,634.54	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### 5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### 6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.



8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	7508
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	6/6/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
<b>Heating</b>	10,900 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Cooling</b>	1100 kWh	0 kBTU	0 kBTU	
<b>Base</b>	12900 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	24,900 kWh	0 kBTU	0 kBTU	0 kBTU
	23100 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install Moisture Barrier in c crawl 6 mil Black Plastic lap on wall 12"
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Reduce leakage to .35 ACH down to 70% of BAS

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
7768 kWh (Elec)	5,968 kWh (Elec)	5,968 kWh	0.12 /kWh	\$716
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.50 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$60**  
before monthly HowSmart Charge

### Financing

**\$7,950.00** Cost of Improvements (est):

**\$1,590.00** Kentucky Home Performance

**\$6,360.00** Utility Contribution

**\$7,350** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$46** Monthly Charge  
77% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$46	\$54		
Capital Investment	\$6,360	\$7,350		
Project Fee(s)	4.50% \$286	\$331	Payback Period (years)	15
Capital Fee	0.50% \$32	\$37	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,655</u>	<u>\$1,987</u>		
Total Cost over life of payback	\$8,301	\$9,668		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



Energy Efficiency for Everyone

**GENERAL**

Location Number 7508  
 Date of Assessment 6/6/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

5968	Projected Savings (kWh)
\$46.12	Calculated Monthly Payment
\$7,950.00	Value of Measures*
\$1,590.00	Kentucky Home Performance*

**1. RETROFIT MEASURES**

Reduce leakage to .35 ACH down to 70% of BAS  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Install Moisture Barrier in c crawl 6 mil Black Plastic lap on wall 12"

\$6,360.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$237.20	Utility Admin Fee*
\$31.80	Capital Fee*
\$6,678.00	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account .

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s) .

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	200361
Name	[REDACTED]
OwnerName	
Phone	--
Assessor	Roger Medlock
Date	6/13/2011

## How Your Home Uses Energy

<i>model baseline</i>	Elec	Gas	Propane	Wood/Coal
<b>Heating</b>	4,530 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Cooling</b>	777 kWh	0 kBTU	0 kBTU	
<b>Base</b>	13700 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>19,007 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	18400 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

## How Your Home Could Save Energy

- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Seal Duct Work to 10% of fan capacity.
- Replace HVAC Cooling with New HVAC Cooling System.
- Reduce air leakage from 1245 to .35 ach down to 70% of BAS

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
2360 kWh (Elec)	1,753 kWh (Elec)	1,753 kWh	0.12 /kWh	\$210
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.50 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$18**  
before monthly HowSmart Charge

## Financing

\$4,950.00	<b>Cost of Improvements (est):</b>	\$1,760.00	<b>Utility Contribution</b>
		\$2,159	Not to Exceed Amount (90% of Savings)
\$990.00	<b>Kentucky Home Performance</b>	@ .3%	
\$1,700.00	<b>Customer Contribution</b>	over 15	years
\$500.00	<b>Rebates - Utility</b>	<b>\$13</b>	<b>Monthly Charge</b>
		73%	of projected savings



## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

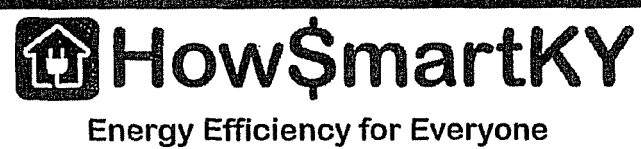
	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$13	\$16		
Capital Investment	\$1,760	\$2,159		
Project Fee(s)	4.50% \$79	\$97	Payback Period (years)	15
Capital Fee	0.50% \$9	\$11	Cost of Capital	3%
Total Interest over life of payback	<u>\$458</u>	<u>\$584</u>		
Total Cost over life of payback	\$2,297	\$2,840		

Account Holder: \_\_\_\_\_  
 print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
 print name

Date: \_\_\_\_\_



**GENERAL**

Location Number **200361**  
 Date of Assessment **6/13/2011**  
 Utility **Jackson Energy**

Account # \_\_\_\_\_

**CUSTOMER INFORMATION**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Owner Information**

\_\_\_\_\_

**1. RETROFIT MEASURES**

Reduce air leakage from .1245 to .35 ach down to 70% of BAS  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Seal Duct Work to 10% of fan capacity.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Add insulation in attic to 15" total from existing.

<b>1753</b>	Projected Savings (kWh)
<b>\$12.76</b>	Calculated Monthly Payment
<b>\$4,950.00</b>	Value of Measures*
<b>\$990.00</b>	Kentucky Home Performance*
<b>\$1,700.00</b>	Customer Contribution*
<b>\$500.00</b>	Rebates - Utility*

<b>\$1,760.00</b>	Amount paid by Utility
<b>\$29.00</b>	UCC Filing Fee*
<b>\$20.00</b>	Software License Fee*
<b>\$30.20</b>	Utility Admin Fee*
<b>\$8.80</b>	Capital Fee*
<b>\$1,848.00</b>	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account .

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s) .

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	203661
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	9/20/2011

## How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	1,890 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	3520 kWh	0 kBTU	0 kBTU	0 kBTU
Base	15700 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Total (yr)</b>	<b>21,110 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	20900 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

## How Your Home Could Save Energy

- Plastic Moisture barrier needs replacing
- Install Moisture barrier 6 mil plastic lap on wall and peers 12"
- Maint trunk line needs insulating metal with insulated flex
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Caulk and seal any floor penetrations
- Boots need caulking to seal and insulate

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
2182 kWh (Elec)	1,972 kWh (Elec)	1,972 kWh	0.12 /kWh	\$237
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$20**  
before monthly HowSmart Charge

## Financing

**\$6,450.00** Cost of Improvements (est):  
**\$1,290.00** Kentucky Home Performance  
**\$2,800.00** Customer Contribution

**\$2,360.00** Utility Contribution  
**\$2,429** Not to Exceed Amount (90% of Savings)  
 @ 3%  
 over 15 years  
**\$17** Monthly Charge  
 87% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$17	\$18		
Capital Investment	\$2,360	\$2,429		
Project Fee(s)	4.50% \$106	\$109	Payback Period (years)	15
Capital Fee	0.50% \$12	\$12	Cost of Capital	3%
Total Interest over life of payback	<u>\$614</u>	<u>\$657</u>		
Total Cost over life of payback	\$3,080	\$3,195		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



Energy Efficiency for Everyone

**GENERAL**

Location Number 203661  
Date of Assessment 9/20/2011  
Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

1972	Projected Savings (kWh)
\$17.11	Calculated Monthly Payment
\$6,450.00	Value of Measures*
\$1,290.00	Kentucky Home Performance*
\$2,800.00	Customer Contribution*

**1. RETROFIT MEASURES**

Boots need caulking to seal and insulate  
Caulk and seal any floor penetrations  
Replace HVAC Cooling with New HVAC Cooling System  
Replace HVAC Heating with New HVAC Heating System  
Install Programmable Thermostat  
Maint trunk line needs insulating metal with insulated flex  
Install Moisture barrier 6 mil plastic lap on wall and peers 12"  
Plastic Moisture barrier needs replacing

\$2,360.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$57.20	Utility Admin Fee*
\$11.80	Capital Fee*
\$2,478.00	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

- 4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.
- 4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.
- 4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.
- 4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.



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4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	42000
Name	[REDACTED]
OwnerName	
Phone	--
Assessor	Roger Medlock
Date	9/29/2011

## How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	0 kWh	0 kBTU	45940 kBTU	0 kBTU
Cooling	1800 kWh	0 kBTU	0 kBTU	
Base	10400 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>12,200 kWh</b>	<b>0 kBTU</b>	<b>45,940 kBTU</b>	<b>0 kBTU</b>
	12200 kWh	0 kBTU	45940 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

## How Your Home Could Save Energy

- Install Moisture Barrier 6 mil black plastic lap on wall 12" and seal in place.
- Add Rim Joist Insulation.
- Add Crawlspace Wall Insulation. 1.5" Closed Cell Foam.
- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Reduce air leakage from 2125 to 1650.

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
-1263 kWh (Elec)	-1,263 kWh (Elec)	-1,263 kWh	0.12 /kWh	(\$152)
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
45940 kBTU (Propane)	45,940 kBTU (Propane)	494 Gal	2.88 /Gal	\$1,423

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$106**  
before monthly HowSmart Charge

## Financing

**\$11,375.00** Cost of Improvements (est):

**\$2,000.00** Kentucky Home Performance

**\$9,375.00** Utility Contribution

**\$13,045** Not to Exceed Amount (90% of Savings)

@ 3% over 15 years

**\$68** Monthly Charge

64% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$68	\$95		
Capital Investment	\$9,375	\$13,045		
Project Fee(s)	4.50% \$422	\$587	Payback Period (years)	15
Capital Fee	0.50% \$47	\$65	Cost of Capital	3%
Total Interest over life of payback	<u>\$2,439</u>	<u>\$3,527</u>		
Total Cost over life of payback	\$12,236	\$17,160		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

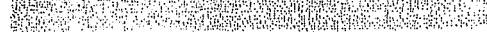
Location Number 42000  
 Date of Assessment 9/29/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**



-1263	Projected Savings (kWh)
\$67.98	Calculated Monthly Payment
\$11,375.00	Value of Measures*
\$2,000.00	Kentucky Home Performance*

**1. RETROFIT MEASURES**

Reduce air leakage from 2125 to 1650.  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Add Insulation in attic to 15" total from existing.  
 Add Crawlspace Wall Insulation: 1.5" Closed Cell Foam.  
 Add Rim Joist Insulation.  
 Install Moisture Barrier 6 mil black plastic lap on wall 12" and seal in place.

\$9,375.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$372.88	Utility Admin Fee*
\$46.88	Capital Fee*
\$9,843.76	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.



8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	63959
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Bill Blair
Date	10/28/2011

## How Your Home Uses Energy

<i>model baseline</i>	Elec	Gas	Propane	Wood/Coal
Heating	9,300 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	2040 kWh	0 kBTU	0 kBTU	
Base	18300 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>29,640 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	30800 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

## How Your Home Could Save Energy

- Install Moisture Barrier Viper Vinyl lap on wall 12" and seal
- Spray 1.5" of closed cell foam on Rim Joist and Vents
- Spray 1.5" of closed cell foam on crawl wall
- Blowin 8" of additional insulaiton
- Replace Current Heat Pump Heat with New HVAC Heat
- Replace Current Heat Pump Air with New HVAC Air

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
6195 kWh (Elec)	7,355 kWh (Elec)	7,355 kWh	0.12 /kWh	\$883
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$74**  
before monthly How\$mart Charge

## Financing

**\$12,075.00** Cost of Improvements (est):  
**\$2,000.00** Kentucky Home Performance  
**\$1,175.00** Customer Contribution

**\$8,900.00** Utility Contribution  
**\$9,058** Not to Exceed Amount (90% of Savings)  
@ 3%  
over 15 years  
**\$65** Monthly Charge  
88% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but not limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$65	\$66		
Capital Investment	\$8,900	\$9,058		
Project Fee(s)	4.50% \$401	\$408	Payback Period (years)	15
Capital Fee	0.50% \$45	\$45	Cost of Capital	3%
Total Interest over life of payback	<u>\$2,316</u>	<u>\$2,449</u>		
Total Cost over life of payback	\$11,616	\$11,915		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

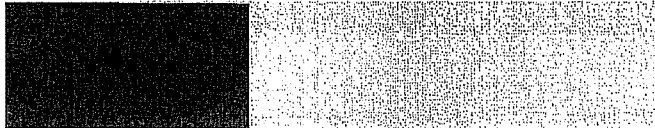
Energy Efficiency for Everyone

**GENERAL**

Location Number 63959  
 Date of Assessment 10/28/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**

7355	Projected Savings (kWh)
\$64.53	Calculated Monthly Payment
\$12,075.00	Value of Measures*
\$2,000.00	Kentucky Home Performance*
\$1,175.00	Customer Contribution*

**1. RETROFIT MEASURES**

Replace Current Heat Pump Air with New HVAC Air  
 Replace Current Heat Pump Heat with New HVAC Heat  
 Blow in 8" of additional insulation  
 Spray 1.5" of closed cell foam on crawl wall  
 Spray 1.5" of closed cell foam on Rim Joist and Vents  
 Install Moisture Barrier Viper Vinyl lap on wall 12" and seal

\$8,900.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$351.50	Utility Admin Fee*
\$44.50	Capital Fee*
\$9,345.00	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/Its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warrantees.

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4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

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#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

\_\_\_\_\_  
Name: Date: (Owner)

\_\_\_\_\_  
Name: Date: (Account holder - if different)

\_\_\_\_\_  
Name: Date: (Utility Representative)



Location ID:	68610
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Todd Claibrone
Date	8/17/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	14,200 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	2610 kWh	0 kBTU	0 kBTU	
Base	20300 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>37,110 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	37300 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install Moisture Barrier 6 mil black plastic lap on wall and peers 12"
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Reduce air leakage from 3150 to 2245
- Caluk around entrance into Addition
- Air seal opening in the Addition to the Attic
- Air seal around fireplace
- Air seal addition ceiling.

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
5084 kWh (Elec)	5,274 kWh (Elec)	5,274 kWh	0.12 /kWh	\$633
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$53**  
before monthly How\$mart Charge

### Financing

**\$7,815.00** Cost of Improvements (est):

**\$1,500.00** Customer Contribution

**\$6,315.00** Utility Contribution

**\$6,495** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$46** Monthly Charge

87% of projected savings



## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$46	\$47		
Capital Investment	\$6,315	\$6,495		
Project Fee(s)	4.50% \$284	\$292	Payback Period (years)	15
Capital Fee	0.50% \$32	\$32	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,643</u>	<u>\$1,756</u>		
Total Cost over life of payback	\$8,242	\$8,544		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number 68610  
 Date of Assessment 8/17/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**

5274	Projected Savings (kWh)
\$45.79	Calculated Monthly Payment
\$7,815.00	Value of Measures*
\$1,500.00	Customer Contribution*

**1. RETROFIT MEASURES**

Air seal addition ceiling  
 Air seal around fireplace  
 Air seal opening in the Addition to the Attic  
 Caulk around entrance into Addition  
 Reduce air leakage from 3150 to 2245  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Moisture Barrier 6 mil black plastic lap on wall and peers 12"

\$6,315.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$235.18	Utility Admin Fee*
\$31.58	Capital Fee*
\$6,630.76	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	1038280
Name	[REDACTED]
OwnerName	
Phone	--
Assessor	Roger Medlock
Date	8/3/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	8,810 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	377 kWh	0 kBTU	0 kBTU	
Base	10800 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>19,987 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	19900 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Customer Replaced windows in the home.
- Install R-19 insulation in floor.
- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Seal Duct Work to 10% of fan capacity.
- Replace HVAC Cooling with New HVAC Cooling System.
- Reduce Air Leakage to .35 ach down to 70% of BAS

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
6231 kWh (Elec)	6,144 kWh (Elec)	6,144 kWh	0.12 /kWh	\$737
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$61**  
before monthly HowSmart Charge

### Financing

**\$8,171.23** Cost of Improvements (est):

**\$989.20** Customer Paid for Insulation

**\$1,020.78** Customer Paid for Windows.

**\$1,634.25** Kentucky Home Performance

**\$4,527.00** Utility Contribution

**\$7,567** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$33** Monthly Charge

**53%** of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

		<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge		\$33	\$55		
Capital Investment		\$4,527	\$7,567		
Project Fee(s)	4.50%	\$204	\$341	Payback Period (years)	15
Capital Fee	0.50%	\$23	\$38	Cost of Capital	3%
Total Interest over life of payback		<u>\$1,178</u>	<u>\$2,046</u>		
Total Cost over life of payback		\$5,909	\$9,953		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number **1038280**  
 Date of Assessment **8/3/2011**  
 Utility **Jackson Energy**

Account # \_\_\_\_\_

**CUSTOMER INFORMATION**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Owner Information**

\_\_\_\_\_

**1. RETROFIT MEASURES**

Reduce Air Leakage to .35 ach down to 70% of BAS.  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Seal Duct Work to 10% of fan capacity.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Add Insulation in attic to .15" total from existing.  
 Install R-19 Insulation in floor.  
 Customer Replaced windows in the home.

<b>6144</b>	Projected Savings (kWh)
<b>\$32.83</b>	Calculated Monthly Payment
<b>\$8,171.23</b>	Value of Measures*
<b>\$989.20</b>	Customer Paid for Insulation*
<b>\$1,020.78</b>	Customer Paid for Windows.*
<b>\$1,634.25</b>	Kentucky Home Performance*

<b>\$4,527.00</b>	Amount paid by Utility
<b>\$29.00</b>	UCC Filing Fee*
<b>\$20.00</b>	Software License Fee*
<b>\$154.72</b>	Utility Admin Fee*
<b>\$22.64</b>	Capital Fee*
<b>\$4,753.36</b>	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.



The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	1024287
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	7/19/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	12,300 kWh	0 kBTU	4300 kBTU	0 kBTU
Cooling	607 kWh	0 kBTU	0 kBTU	
Base	6250 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>19,157 kWh</b>	<b>0 kBTU</b>	<b>4,300 kBTU</b>	<b>0 kBTU</b>
	17300 kWh	0 kBTU	4300 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Replace one bay window with double pane window.
- Install R-19 insulation in floor.
- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Seal off Basement Vents and basement door.
- Seal attic access.
- Seal around windows.
- Seal around baseboards.
- Seal "blue rooms"

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
7333 kWh (Elec)	5,476 kWh (Elec)	5,476 kWh	0.12 /kWh	\$657
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
4300 kBTU (Propane)	4,300 kBTU (Propane)	46 Gal	2.88 /Gal	\$133

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$66**  
before monthly HowSmart Charge

### Financing

**\$11,739.93** Cost of Improvements (est):

**\$608.68** Customer Paid for Item(s)

**\$2,000.00** Kentucky Home Performance

**\$1,300.00** Customer Contribution

**\$7,831.25** Utility Contribution

**\$8,111** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$57** Monthly Charge  
86% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but not limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$57	\$59		
Capital Investment	\$7,831	\$8,111		
Project Fee(s)	4.50% \$352	\$365	Payback Period (years)	15
Capital Fee	0.50% \$39	\$41	Cost of Capital	3%
Total Interest over life of payback	<u>\$2,038</u>	<u>\$2,193</u>		
Total Cost over life of payback	\$10,221	\$10,669		

Account Holder: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number 1024287  
 Date of Assessment 7/19/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**

5476	Projected Savings (kWh)
\$56.79	Calculated Monthly Payment
\$11,739.93	Value of Measures*
\$608.68	Customer Paid for Item(s)*
\$2,000.00	Kentucky Home Performance*
\$1,300.00	Customer Contribution*

**1. RETROFIT MEASURES**

Seal "blue rooms"  
 Seal around baseboards.  
 Seal around windows.  
 Seal attic access.  
 Seal off Basement Vents and basement door.  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Add insulation in attic to 15" total from existing.  
 Install R-19 insulation in floor.  
 Replace one bay window with double pane window.

\$7,831.25	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$303.41	Utility Admin Fee*
\$39.16	Capital Fee*
\$8,222.82	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.



8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	21811
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	10/4/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	9,030 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	3230 kWh	0 kBTU	0 kBTU	
Base	11200 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>23,460 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	23100 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Replace non working geo. sys. with a new 3 Ton geothermal
- Replace missing ceiling tile in ut. room, bath, and closet
- install child safety plugs and insulated covers in switch/rec
- install 6 mil moisture barrier on ground
- Install R-19 insulation in floor.
- Seal and weather strip attic down access
- Caulk Windows and Doors.
- Caulk any wiring and plumbing penetrations in floor

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
5925 kWh (Elec)	5,565 kWh (Elec)	5,565 kWh	0.12 /kWh	\$668
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$56**  
before monthly HowSmart Charge

### Financing

<b>\$9,725.00</b> Cost of Improvements (est):	<b>\$6,780.00</b> Utility Contribution
<b>\$1,945.00</b> Kentucky Home Performance	<b>\$6,854</b> Not to Exceed Amount (90% of Savings)
<b>\$1,000.00</b> Customer Contribution	@ 3% over 15 years
	<b>\$49</b> Monthly Charge
	88% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

		<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge		\$49	\$50		
Capital Investment		\$6,780	\$6,854		
Project Fee(s)	4.50%	\$305	\$308	Payback Period (years)	15
Capital Fee	0.50%	\$34	\$34	Cost of Capital	3%
Total Interest over life of payback		<u>\$1,764</u>	<u>\$1,853</u>		
Total Cost over life of payback		\$8,849	\$9,015		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number **21811**  
 Date of Assessment **10/4/2011**  
 Utility **Jackson Energy**

Account # \_\_\_\_\_

**CUSTOMER INFORMATION**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Owner Information**

5565	Projected Savings (kWh)
\$49.16	Calculated Monthly Payment
\$9,725.00	Value of Measures*
\$1,945.00	Kentucky Home Performance*
\$1,000.00	Customer Contribution*

**1. RETROFIT MEASURES**

Caulk any wiring and plumbing penetrations in floor  
 Caulk Windows and Doors  
 Seal and weather strip attic down access  
 Install R-19 Insulation in floor  
 Install 6 mil moisture barrier on ground  
 Install child safety plugs and insulated covers in switch/rec  
 Replace missing ceiling tile in ut. room, bath, and closet  
 Replace non working geo. sys. with a new 3 Ton geothermal

\$6,780.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$256.10	Utility Admin Fee*
\$33.90	Capital Fee*
\$7,119.00	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account .

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s) .

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

\_\_\_\_\_  
Name: Date: (Owner)

\_\_\_\_\_  
Name: Date: (Account holder - if different)

\_\_\_\_\_  
Name: Date: (Utility Representative)



Location ID:	204354
Name	[REDACTED]
OwnerName	
Phone	--
Assessor	Roger Medlock
Date	8/5/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	7,090 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	658 kWh	0 kBTU	0 kBTU	
Base	21,200 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>28,948 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	33,200 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

Mositure Barrier
Install R-19 in floor
Install Programmable Thermostat
Replace HVAC Heting with New HVAC Heating System
Replace HVAC Cooling with New HVAC Cooling System

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
3,727 kWh (Elec)	7,979 kWh (Elec)	7,979 kWh	0.12 /kWh	\$957
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.50 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$80**  
before monthly HowSmart Charge

### Financing

**\$7,736.47** Cost of Improvements (est):

**\$1,547.29** Kentucky Home Performance

**\$6,189.18** Utility Contribution

**\$9,827** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$45** Monthly Charge

56% of projected savings



## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$45	\$72		
Capital Investment	\$6,189	\$9,827		
Project Fee(s)	4.50% \$279	\$442	Payback Period (years)	15
Capital Fee	0.50% \$31	\$49	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,610</u>	<u>\$2,657</u>		
Total Cost over life of payback	\$8,078	\$12,926		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number 204354  
 Date of Assessment 8/5/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

**1. RETROFIT MEASURES**

Replace HVAC Cooling with New HVAC Cooling System  
 Replace HVAC Heating with New HVAC Heating System  
 Install Programmable Thermostat  
 Install R-19 In floor  
 Moisture Barrier

7979	Projected Savings (kWh)
\$44.88	Calculated Monthly Payment
\$7,736.47	Value of Measures*
\$1,547.29	Kentucky Home Performance*

\$6,189.18	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$229.51	Utility Admin Fee*
\$30.95	Capital Fee*
\$6,498.64	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	1021239
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	9/19/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	2,910 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	645 kWh	0 kBTU	0 kBTU	0 kBTU
Base	18100 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Total (yr)</b>	<b>21,655 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	20100 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install Moisture Barrier 6 mil plastic lap on wall 12"
- Add or Install R-19 insulation in Floor
- Install or Replace HVAC Heating System
- Install or Replace HVAC Cooling System
- Seal and Caulk around window facing boards
- Seal and Caulk around light fixture and over sink exhaust fan in bathroom seal off from attic.
- Seal and Caulk around brick wall behind wood burning stove.

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
2316 kWh (Elec)	761 kWh (Elec)	761 kWh	0.12 /kWh	\$91
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.50 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$8**  
before monthly HowSmart Charge

### Financing

**\$8,197.74** Cost of Improvements (est):

**\$858.19** Utility Contribution

**\$1,639.55** Kentucky Home Performance

**\$937** Not to Exceed Amount (90% of Savings)

**\$5,700.00** Customer Contribution

@ 3%  
over 15 years

**\$6** Monthly Charge

**82%** of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$6	\$7		
Capital Investment	\$858	\$937		
Project Fee(s)	4.50% \$39	\$42	Payback Period (years)	15
Capital Fee	0.50% \$4	\$5	Cost of Capital	3%
Total Interest over life of payback	\$223	\$253		
Total Cost over life of payback	\$1,120	\$1,233		

Account Holder: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_



Energy Efficiency for Everyone

**GENERAL**

Location Number 1021239  
 Date of Assessment 9/19/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

**1. RETROFIT MEASURES**

Seal and Caulk around brick wall behind wood burning stove.  
 Seal and Caulk around light fixture and over sink exhaust fan in bathroom seal  
 Seal and Caulk around window facing boards  
 Install or Replace HVAC Cooling System  
 Install or Replace HVAC Heating System  
 Add or Install R-19 Insulation in Floor  
 Install Moisture Barrier 6 mil plastic lap on wall 12"

761	Projected Savings (kWh)
\$6.22	Calculated Monthly Payment
\$8,197.74	Value of Measures*
\$1,639.55	Kentucky Home Performance*
\$5,700.00	Customer Contribution*

\$858.19	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
(\$10.38)	Utility Admin Fee*
\$4.29	Capital Fee*
\$901.10	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.



The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	25114
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	8/12/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	0 kWh	0 kBTU	39000 kBTU	0 kBTU
Cooling	1910 kWh	0 kBTU	0 kBTU	
Base	15600 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>17,510 kWh</b>	<b>0 kBTU</b>	<b>39,000 kBTU</b>	<b>0 kBTU</b>
	18000 kWh	0 kBTU	39000 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Pet Door needs closed and sealed
- Install Moisture Barrier 6 mill plastic lap 12" on wall
- Door into Garage need sealed and insulated
- Co2 senso needs replaced if propane is continued
- Caulk around fireplace(s) both sides
- Install programmable thermostat
- Replace HVAC Heating with HVAC System
- Replace HVAC Cooling with HVAC System

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
-4392 kWh (Elec)	-3,902 kWh (Elec)	-3,902 kWh	0.12 /kWh	(\$468)
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
39000 kBTU (Propane)	39,000 kBTU (Propane)	419 Gal	2.50 /Gal	\$1,048

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$48**  
before monthly HowSmart Charge

### Financing

**\$9,357.89** Cost of Improvements (est):  
**\$1,871.58** Kentucky Home Performance  
**\$2,000.00** Customer Contribution

**\$5,486.31** Utility Contribution  
**\$5,954** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$40** Monthly Charge  
82% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in *disconnection of service*.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$40	\$44		
Capital Investment	\$5,486	\$5,954		
Project Fee(s)	4.50% \$247	\$268	Payback Period (years)	15
Capital Fee	0.50% \$27	\$30	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,428</u>	<u>\$1,610</u>		
Total Cost over life of payback	\$7,161	\$7,832		

Account Holder: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_



# How\$martKY

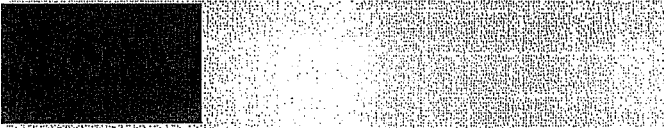
Energy Efficiency for Everyone

**GENERAL**

Location Number 25114  
 Date of Assessment 8/12/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**



**1. RETROFIT MEASURES**

Replace HVAC Cooling with HVAC System  
 Replace HVAC Heating with HVAC System  
 Install programmable thermostat  
 Caulk around fireplace(s) both sides  
 CO2 senso needs replaced if propane is continued  
 Door into Garage need sealed and insulated  
 Install Moisture Barrier 6 mill plastic lap 12" on wall  
 Pet Door needs closed and sealed

-3902	Projected Savings (kWh)
\$39.78	Calculated Monthly Payment
\$9,357.89	Value of Measures*
\$1,871.58	Kentucky Home Performance*
\$2,000.00	Customer Contribution*

\$5,486.31	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$197.88	Utility Admin Fee*
\$27.43	Capital Fee*
\$5,760.62	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases,(where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account .

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s) .

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.



8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	24923
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	8/9/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	4,530 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	880 kWh	0 kBTU	0 kBTU	0 kBTU
Base	29300 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Total (yr)</b>	<b>34,710 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	36000 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Seal water line entry in basement with foam.
- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
2116 kWh (Elec)	3,406 kWh (Elec)	3,406 kWh	0.12 /kWh	\$409
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.50 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$34**  
before monthly HowSmart Charge

### Financing

\$7,607.56	Cost of Improvements (est):	\$4,186.05	Utility Contribution
\$1,207.56	Customer Paid for Item(s)	\$4,195	Not to Exceed Amount (90% of Savings)
\$1,521.51	Kentucky Home Performance	@ 3%	
\$692.44	Customer Contribution	over 15	years
		<b>\$30</b>	Monthly Charge
		89%	of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$30	\$31		
Capital Investment	\$4,186	\$4,195		
Project Fee(s)	4.50% \$188	\$189	Payback Period (years)	15
Capital Fee	0.50% \$21	\$21	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,089</u>	<u>\$1,134</u>		
Total Cost over life of payback	\$5,464	\$5,518		

Account Holder: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_

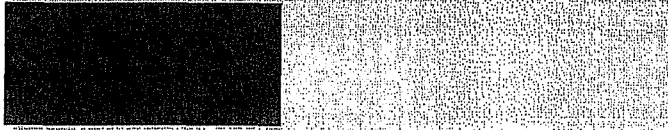


**GENERAL**

Location Number 24923  
 Date of Assessment 8/9/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**



**1. RETROFIT MEASURES**

Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Add Insulation in attic to 15" total from existing.  
 Seal water line entry in basement with foam.

3406	Projected Savings (kWh)
\$30.35	Calculated Monthly Payment
\$7,607.56	Value of Measures*
\$1,207.56	Customer Paid for Item(s)*
\$1,521.51	Kentucky Home Performance*
\$692.44	Customer Contribution*
\$4,186.05	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$139.37	Utility Admin Fee*
\$20.93	Capital Fee*
\$4,395.35	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	51726
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Todd Claiborne
Date	8/10/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	8,330 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	3290 kWh	0 kBTU	0 kBTU	0 kBTU
Base	18100 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Total (yr)</b>	<b>29,720 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	25800 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install Moisture barrier 6 mil black plastic lap on wall and peers 12".
- Add Insulation in attic to 15" total from existing.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Reduce air leakage from 2582 cfm50 to 1850 cfm50

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
8641 kWh (Elec)	4,721 kWh (Elec)	4,721 kWh	0.12 /kWh	\$567
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo)** **\$47**  
before monthly HowSmart Charge

### Financing

**\$5,850.00** Cost of Improvements (est):  
**\$1,170.00** Kentucky Home Performance

**\$4,680.00** Utility Contribution  
**\$5,814** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$34** Monthly Charge  
72% of projected savings



## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$34	\$42		
Capital Investment	\$4,680	\$5,814		
Project Fee(s)	4.50% \$211	\$262	Payback Period (years)	15
Capital Fee	0.50% \$23	\$29	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,218</u>	<u>\$1,572</u>		
Total Cost over life of payback	\$6,108	\$7,648		

Account Holder: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_



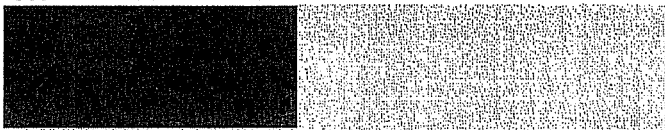
Energy Efficiency for Everyone

**GENERAL**

Location Number 51726  
 Date of Assessment 8/10/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**



4721	Projected Savings (kWh)
\$33.94	Calculated Monthly Payment
\$5,850.00	Value of Measures*
\$1,170.00	Kentucky Home Performance*

**1. RETROFIT MEASURES**

Reduce air leakage from 2582 cfm50 to 1850 cfm50  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Add Insulation in attic to 15" total from existing.  
 Install Moisture barrier 6 mil black plastic lap on wall and peers 12"

\$4,680.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$161.60	Utility Admin Fee*
\$23.40	Capital Fee*
\$4,914.00	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account .

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s) .

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**B. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	1052506
Name	
OwnerName	
Phone	
Assessor	Todd Claiborne
Date	8/15/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	11,000 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	556 kWh	0 kBTU	0 kBTU	
Base	23600 kWh	0 kBTU	0 kBTU	
Total (yr)	35,156 kWh	0 kBTU	0 kBTU	0 kBTU
	36200 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install Moisture barrier 6 mil black plastic lap on wall and peers 12"
- Install R-19 insulation in floor.
- Add Insulation in attic to 15" total from existing.
- Replace HVAC Heating with New HVAC Heating System.
- Seal Duct Work to 10% of fan capacity.
- Replace HVAC Cooling with New HVAC Cooling System.
- Seal Attic Hatch
- Reduce Airleakage from 3850 to 2045 CFM50

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
7436 kWh (Elec)	8,480 kWh (Elec)	8,480 kWh	0.12 /kWh	\$1,018
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$85**  
before monthly HowSmart Charge

### Financing

\$10,950.00	Cost of Improvements (est):	\$7,950.00	Utility Contribution
\$2,000.00	Kentucky Home Performance	\$10,444	Not to Exceed Amount (90% of Savings)
\$1,000.00	Customer Contribution	@ 3%	
		over 15	years
		<b>\$58</b>	Monthly Charge
		68%	of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates:

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$58	\$76		
Capital Investment	\$7,950	\$10,444		
Project Fee(s)	4.50% \$358	\$470	Payback Period (years)	15
Capital Fee	0.50% \$40	\$52	Cost of Capital	3%
Total Interest over life of payback	<u>\$2,069</u>	<u>\$2,824</u>		
Total Cost over life of payback	\$10,376	\$13,738		

Account Holder: \_\_\_\_\_  
 print name  
 Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
 print name  
 Date: \_\_\_\_\_



Energy Efficiency for Everyone

**GENERAL**

Location Number 1052506  
Date of Assessment 8/15/2011  
Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

**1. RETROFIT MEASURES**

Reduce Airleakage from 385D to 2045 CFM5D  
Seal Attic Hatch  
Replace HVAC Cooling with New HVAC Cooling System.  
Seal Duct Work to 10% of fan capacity.  
Replace HVAC Heating with New HVAC Heating System.  
Add Insulation in attic to 15" total from existing.  
Install R-19 insulation in floor.  
Install Moisture barrier 6 mil. black plastic lap on wall and peers 12"

8480	Projected Savings (kWh)
\$57.65	Calculated Monthly Payment
\$10,950.00	Value of Measures*
\$2,000.00	Kentucky Home Performance*
\$1,000.00	Customer Contribution*

\$7,950.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$308.75	Utility Admin Fee*
\$39.75	Capital Fee*
\$8,347.50	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

- 4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.
- 4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.
- 4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.
- 4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.



The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	203304
Name	[REDACTED]
OwnerName	
Phone	--
Assessor	Roger Medlock
Date	8/9/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	9,220 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	3210 kWh	0 kBTU	0 kBTU	
Base	16900 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>29,330 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	27000 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install Moisture Barrier 6 mil plastic lap on wall 12"
- Add Rim Joist Insulation.
- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Reduce ACH to .35 ach or down to 70% of that number.

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
6530 kWh (Elec)	4,200 kWh (Elec)	4,200 kWh	0.12 /kWh	\$504
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.50 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$42**  
before monthly How\$mart Charge

### Financing

**\$9,112.52** Cost of Improvements (est):  
**\$1,822.50** Kentucky Home Performance  
**\$2,200.00** Customer Contribution

**\$5,090.02** Utility Contribution  
**\$5,173** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$37** Monthly Charge  
88% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$37	\$38		
Capital Investment	\$5,090	\$5,173		
Project Fee(s)	4.50% \$229	\$233	Payback Period (years)	15
Capital Fee	0.50% \$25	\$26	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,324</u>	<u>\$1,399</u>		
Total Cost over life of payback	\$6,643	\$6,804		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



Energy Efficiency for Everyone

**GENERAL**

Location Number 203304  
Date of Assessment 8/9/2011  
Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

**1. RETROFIT MEASURES**

- Reduce ACH to .35 ach or down to 70% of that number.
- Replace HVAC Cooling with New HVAC Cooling System.
- Replace HVAC Heating with New HVAC Heating System.
- Install Programmable Thermostat.
- Add Insulation in attic to 15" total from existing.
- Add Rim Joist Insulation.
- Install Moisture Barrier 6 mil plastic lap on wall 12"

4200	Projected Savings (kWh)
\$36.91	Calculated Monthly Payment
\$9,112.52	Value of Measures*
\$1,822.50	Kentucky Home Performance*
\$2,200.00	Customer Contribution*

\$5,090.02	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$180.05	Utility Admin Fee*
\$25.45	Capital Fee*
\$5,344.52	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### 5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### 6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.



8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	8209
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	9/19/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	8,150 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	3420 kWh	0 kBTU	0 kBTU	
Base	13000 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>24,570 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	24500 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Repair Bell insulation
- Install Moisture Barrier 6 mil black plastic lap on wall 12"
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
5552 kWh (Elec)	5,482 kWh (Elec)	5,482 kWh	0.12 /kWh	\$658
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$55**  
before monthly HowSmart Charge

### Financing

**\$7,475.00** Cost of Improvements (est):

**\$5,855.00** Utility Contribution

**\$1,620.00** Kentucky Home Performance

**\$6,751** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$42** Monthly Charge

77% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$42	\$49		
Capital Investment	\$5,855	\$6,751		
Project Fee(s)	4.50% \$263	\$304	Payback Period (years)	15
Capital Fee	0.50% \$29	\$34	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,523</u>	<u>\$1,826</u>		
Total Cost over life of payback	\$7,642	\$8,881		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

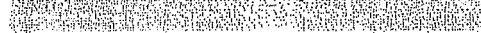
Location Number 8209  
Date of Assessment 9/19/2011  
Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**



5482	Projected Savings (kWh)
\$42.46	Calculated Monthly Payment
\$7,475.00	Value of Measures*
\$1,620.00	Kentucky Home Performance*

**1. RETROFIT MEASURES**

Replace HVAC Cooling with New HVAC Cooling System.  
Replace HVAC Heating with New HVAC Heating System.  
Install Moisture Barrier 6 mil black plastic lap on wall 12"  
Repair Bell insulation

\$5,855.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$214.48	Utility Admin Fee*
\$29.28	Capital Fee*
\$6,147.76	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account .

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s) .

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	37528
Name	
OwnerName	
Phone	
Assessor	Roger Medlock
Date	8/3/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	7,790 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	1340 kWh	0 kBTU	0 kBTU	0 kBTU
Base	9520 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Total (yr)</b>	<b>18,650 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	18000 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install R-19 insulation in floor.
- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Seal Attic Hatch
- Seal around Sliding Door

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
6240 kWh (Elec)	5,590 kWh (Elec)	5,590 kWh	0.12 /kWh	\$671
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$56**  
before monthly HowSmart Charge

### Financing

\$8,681.00	<b>Cost of Improvements (est):</b>	\$5,844.80	<b>Utility Contribution</b>
\$1,736.20	<b>Kentucky Home Performance</b>	\$6,884	Not to Exceed Amount (90% of Savings)
\$1,100.00	<b>Customer Contribution</b>	@ 3%	
		over 15	years
		<b>\$42</b>	<b>Monthly Charge</b>
		76%	of projected savings



## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$42	\$50		
Capital Investment	\$5,845	\$6,884		
Project Fee(s)	4.50% \$263	\$310	Payback Period (years)	15
Capital Fee	0.50% \$29	\$34	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,521</u>	<u>\$1,862</u>		
Total Cost over life of payback	\$7,629	\$9,056		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number **37528**  
 Date of Assessment **8/3/2011**  
 Utility **Jackson Energy**

Account # \_\_\_\_\_

**CUSTOMER INFORMATION**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Owner Information**

\_\_\_\_\_

**1. RETROFIT MEASURES**

Seal around Sliding Door  
 Seal Attic Hatch  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Add Insulation in attic to 15" total from existing.  
 Install R-19 insulation in floor.

<b>5590</b>	Projected Savings (kWh)
<b>\$42.38</b>	Calculated Monthly Payment
<b>\$8,681.00</b>	Value of Measures*
<b>\$1,736.20</b>	Kentucky Home Performance*
<b>\$1,100.00</b>	Customer Contribution*

<b>\$5,844.80</b>	Amount paid by Utility
<b>\$29.00</b>	UCC Filing Fee*
<b>\$20.00</b>	Software License Fee*
<b>\$214.02</b>	Utility Admin Fee*
<b>\$29.22</b>	Capital Fee*
<b>\$6,137.04</b>	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	203300
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	10/6/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	4,040 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	1350 kWh	0 kBTU	0 kBTU	
Base	28600 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>33,990 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	33800 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
1850 kWh (Elec)	1,660 kWh (Elec)	1,660 kWh	0.12 /kWh	\$199
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$17**  
before monthly HowSmart Charge

### Financing

\$5,000.00 Cost of Improvements (est):  
 \$1,000.00 Kentucky Home Performance  
 \$2,000.00 Customer Contribution

\$2,000.00 Utility Contribution  
 \$2,044 Not to Exceed Amount (90% of Savings)

@ 3%  
 over 15 years

**\$15 Monthly Charge**  
 87% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$15	\$15		
Capital Investment	\$2,000	\$2,044		
Project Fee(s)	4.50% \$90	\$92	Payback Period (years)	15
Capital Fee	0.50% \$10	\$10	Cost of Capital	3%
Total Interest over life of payback	<u>\$520</u>	<u>\$553</u>		
Total Cost over life of payback	\$2,610	\$2,689		

Account Holder: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number 203300  
 Date of Assessment 10/6/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

**1. RETROFIT MEASURES**

Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.

1660	Projected Savings (kWh)
\$14.50	Calculated Monthly Payment
\$5,000.00	Value of Measures*
\$1,000.00	Kentucky Home Performance*
\$2,000.00	Customer Contribution*

\$2,000.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$41.00	Utility Admin Fee*
\$10.00	Capital Fee*
\$2,100.00	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

- 4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.
- 4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.
- 4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.
- 4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.



The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account .

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s) .

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	21042216
Name	
OwnerName	
Phone	
Assessor	Todd Claiborn
Date	9/15/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	11,300 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	521 kWh	0 kBTU	0 kBTU	
Base	8020 kWh	0 kBTU	0 kBTU	
Total (yr)	19,841 kWh	0 kBTU	0 kBTU	0 kBTU
	18900 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install moisture barrier 6 mil black plastic lap on wall 12" and seal
- Check and repair any damage to Belly Insulation
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Seal around outlets
- Seal around fireplace
- Seal around Exterior Doors
- Seal around air handler lines

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
6061 kWh (Elec)	5,120 kWh (Elec)	5,120 kWh	0.12 /kWh	\$614
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$51**  
before monthly HowSmart Charge

### Financing

<b>\$7,350.00</b> Cost of Improvements (est):	<b>\$5,380.00</b> Utility Contribution
<b>\$1,470.00</b> Kentucky Home Performance	<b>\$6,306</b> Not to Exceed Amount (90% of Savings)
<b>\$500.00</b> Rebates - Utility	@ 3% over 15 years
	<b>\$39</b> Monthly Charge
	76% of projected savings

## Next Steps

1. Sign Purchase Agreement
2. Select contractor and schedule the job
3. Energy Specialist returns to inspect completed work
4. Savings begin and installments charge appears on utility bill.

If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but not limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$39	\$46		
Capital Investment	\$5,380	\$6,306		
Project Fee(s)	4.50% \$242	\$284	Payback Period (years)	15
Capital Fee	0.50% \$27	\$32	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,400</u>	<u>\$1,705</u>		
Total Cost over life of payback	\$7,022	\$8,294		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number **21042216**  
 Date of Assessment **9/15/2011**  
 Utility **Jackson Energy**

Account # \_\_\_\_\_

**CUSTOMER INFORMATION**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Owner Information**

\_\_\_\_\_

**1. RETROFIT MEASURES**

Seal around air handler lines  
 Seal around Exterior Doors  
 Seal around fireplace  
 Seal around outlets  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Check and repair any damage to Belly Insulation  
 Install moisture barrier 6 mil black plastic lap on wall 12" and seal.

<b>5120</b>	Projected Savings (kWh)
<b>\$39.01</b>	Calculated Monthly Payment
<b>\$7,350.00</b>	Value of Measures*
<b>\$1,470.00</b>	Kentucky Home Performance*
<b>\$500.00</b>	Rebates - Utility*

<b>\$5,380.00</b>	Amount paid by Utility
<b>\$29.00</b>	UCC Filing Fee*
<b>\$20.00</b>	Software License Fee*
<b>\$193.10</b>	Utility Admin Fee*
<b>\$26.90</b>	Capital Fee*
<b>\$5,649.00</b>	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.



8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	200701
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	9/2/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	7,710 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	1270 kWh	0 kBTU	0 kBTU	0 kBTU
Base	9920 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Total (yr)</b>	<b>18,900 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	17900 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install Moisture barrier 6 mil black plastic lap on wall and peers 12"
- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Install Programmable Thermostat.
- Reduce air leakage from 1395 CFM50 to 986 CFM50

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
5947 kWh (Elec)	4,947 kWh (Elec)	4,947 kWh	0.12 /kWh	\$594
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$49**

before monthly How\$mart Charge

### Financing

**\$6,300.00** Cost of Improvements (est):  
**\$1,102.28** Kentucky Home Performance

**\$5,197.72** Utility Contribution  
**\$6,093** Not to Exceed Amount (90% of Savings)

@ 3%  
 over 15 years

**\$38** Monthly Charge

76% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

		<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge		\$38	\$45		
Capital Investment		\$5,198	\$6,093		
Project Fee(s)	4.50%	\$234	\$274	Payback Period (years)	15
Capital Fee	0.50%	\$26	\$30	Cost of Capital	3%
Total Interest over life of payback		<u>\$1,352</u>	<u>\$1,647</u>		
Total Cost over life of payback		\$6,784	\$8,014		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



Energy Efficiency for Everyone

**GENERAL**

Location Number 200701  
 Date of Assessment 9/2/2011  
 Utility Jackson Energy

Account # [REDACTED]

**CUSTOMER INFORMATION**

[REDACTED]

**Owner Information**

[REDACTED]

4947	Projected Savings (kWh)
\$37.69	Calculated Monthly Payment
\$6,300.00	Value of Measures*
\$1,102.28	Kentucky Home Performance*

**1. RETROFIT MEASURES**

Reduce air leakage from 1395 CFM50 to 986 CFM50  
 Install Programmable Thermostat.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Add Insulation In attic to 15" total from existing.  
 Install Moisture barrier 6 mil black plastic lap on wall and peers 12"

\$5,197.72	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$184.90	Utility Admin Fee*
\$25.99	Capital Fee*
\$5,457.61	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	614055901
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	7/22/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	5,320 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	1110 kWh	0 kBTU	0 kBTU	0 kBTU
Base	19800 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Total (yr)</b>	<b>26,230 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	26900 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Add Rim Joist Insulation.
- Install R-19 insulation in floor.
- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Seal Duct Work to 10% of fan capacity.
- Replace HVAC Cooling with New HVAC Cooling System.
- Reduce Air leakage from 3525 to 2416

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
4494 kWh (Elec)	5,164 kWh (Elec)	5,164 kWh	0.13 /kWh	\$671
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$56**  
before monthly HowSmart Charge

### Financing

**\$10,127.00** Cost of Improvements (est):

**\$2,000.00** Kentucky Home Performance

**\$1,000.00** Customer Contribution

**\$500.00** Rebates - Utility

**\$6,627.00** Utility Contribution

**\$6,890** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$48** Monthly Charge

86% of projected savings



## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$48	\$50		
Capital Investment	\$6,627	\$6,890		
Project Fee(s)	4.50% \$298	\$310	Payback Period (years)	15
Capital Fee	0.50% \$33	\$34	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,724</u>	<u>\$1,863</u>		
Total Cost over life of payback	\$8,650	\$9,063		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number 614055901  
 Date of Assessment 7/22/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

**1. RETROFIT MEASURES**

Reduce Air leakage from 3525 to 2416  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Seal Duct Work to 10% of fan capacity.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Add Insulation in attic to 15" total from existing.  
 Install R-19 Insulation in floor.  
 Add Rim Joist Insulation.

5164	Projected Savings (kWh)
\$48.05	Calculated Monthly Payment
\$10,127.00	Value of Measures*
\$2,000.00	Kentucky Home Performance*
\$1,000.00	Customer Contribution*
\$500.00	Rebates - Utility*
\$6,627.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$249.22	Utility Admin Fee*
\$33.14	Capital Fee*
\$6,958.36	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account .

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s) .

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

\_\_\_\_\_  
Name: Date: (Owner)

\_\_\_\_\_  
Name: Date: (Account holder - if different)

\_\_\_\_\_  
Name: Date: (Utility Representative)



Location ID:	36685
Name	
OwnerName	
Phone	
Assessor	Roger Medlock
Date	8/11/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	15,500 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	805 kWh	0 kBTU	0 kBTU	
Base	14,100 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>30,405 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	29,200 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Add Insulation in attic to 15" total from existing.
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Seal knee walls.
- Seal exterior door casings.
- Seal around plumbing penetrations in utility closet.
- Seal around electrical box.

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
9,411 kWh (Elec)	8,206 kWh (Elec)	8,206 kWh	0.12 /kWh	\$985
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$82**  
before monthly HowSmart Charge

### Financing

**\$12,015.00** Cost of Improvements (est):  
**\$2,000.00** Kentucky Home Performance

**\$10,015.00** Utility Contribution  
**\$10,106** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$73** Monthly Charge

88% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$73	\$74		
Capital Investment	\$10,015	\$10,106		
Project Fee(s)	4.50% \$451	\$455	Payback Period (years)	15
Capital Fee	0.50% \$50	\$51	Cost of Capital	3%
Total Interest over life of payback	<u>\$2,606</u>	<u>\$2,733</u>		
Total Cost over life of payback	\$13,072	\$13,294		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



Energy Efficiency for Everyone

**GENERAL**

Location Number 36685  
 Date of Assessment 8/11/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

8206	Projected Savings (kWh)
\$72.62	Calculated Monthly Payment
\$12,015.00	Value of Measures*
\$2,000.00	Kentucky Home Performance*

**1. RETROFIT MEASURES**

Seal around electrical box.  
 Seal around plumbing penetrations in utility closet.  
 Seal exterior door casings.  
 Seal knee walls.  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Add Insulation in attic to 15" total from existing.

\$10,015.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$401.68	Utility Admin Fee*
\$50.08	Capital Fee*
\$10,515.76	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

- 4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.
- 4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.
- 4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.
- 4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.



The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	63992
Name	
OwnerName	
Phone	
Assessor	Roger Medlock
Date	7/18/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	8,380 kWh	0 kBTU	23769 kBTU	0 kBTU
Cooling	2850 kWh	0 kBTU	0 kBTU	
Base	11900 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>23,130 kWh</b>	<b>0 kBTU</b>	<b>23,769 kBTU</b>	<b>0 kBTU</b>
	22400 kWh	0 kBTU	23769 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Install Moisture barrier 6 mil plastic lap up on wall 12 and seal.
- Spray 1.5" of closed cell on Rim Joist
- Install R-19 insulation in floor where missing or damaged.
- Spray 1.5" of closed cell on crawl wall
- Spray 1" of closed on Cathedral End Walls
- Remove old blow in. Spray 1.5" closed cell foam and put back blown and add to 15"
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Reduce air leakage to BAS or 70% below that number.

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
7354 kWh (Elec)	6,624 kWh (Elec)	6,624 kWh	0.12 /kWh	\$795
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
23769 kBTU (Propane)	23,769 kBTU (Propane)	256 Gal	2.88 /Gal	\$736

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$128**  
before monthly How\$mart Charge

### Financing

\$12,067.00 **Cost of Improvements (est):**  
\$2,000.00 **Kentucky Home Performance**

\$10,067.00 **Utility Contribution**  
\$15,712 **Not to Exceed Amount (90% of Savings)**

@ 3%  
over 15 years

**\$73 Monthly Charge**  
57% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$73	\$115		
Capital Investment	\$10,067	\$15,712		
Project Fee(s)	4.50% \$453	\$707	Payback Period (years)	15
Capital Fee	0.50% \$50	\$79	Cost of Capital	3%
Total Interest over life of payback	<u>\$2,619</u>	<u>\$4,249</u>		
Total Cost over life of payback	\$13,139	\$20,668		

Account Holder: \_\_\_\_\_  
print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name

Date: \_\_\_\_\_



Energy Efficiency for Everyone

**GENERAL**

Location Number **63992**  
 Date of Assessment **7/18/2011**  
 Utility **Jackson Energy**

Account # \_\_\_\_\_

**CUSTOMER INFORMATION**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Owner Information**

\_\_\_\_\_

**1. RETROFIT MEASURES**

Reduce air leakage to BAS or 70% below that number.  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Remove old blow in. Spray 1.5" closed cell foam and put back blown and add  
 Spray 1" of closed on Cathedral End Walls  
 Spray 1.5" of closed cell on crawl wall  
 Install R-19 insulation in floor where missing or damaged.  
 Spray 1.5" of closed cell on Rim Joist  
 Install Moisture barrier 6 mil plastic lap up on wall 12 and seal.

<b>6624</b>	Projected Savings (kWh)
<b>\$73.00</b>	Calculated Monthly Payment
<b>\$12,067.00</b>	Value of Measures*
<b>\$2,000.00</b>	Kentucky Home Performance*

<b>\$10,067.00</b>	Amount paid by Utility
<b>\$29.00</b>	UCC Filing Fee*
<b>\$20.00</b>	Software License Fee*
<b>\$404.02</b>	Utility Admin Fee*
<b>\$50.34</b>	Capital Fee*
<b>\$10,570.36</b>	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.



8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	202309
Name	
OwnerName	
Phone	
Assessor	Roger Medlock
Date	9/13/2011

## How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	0 kWh	42 kBTU	0 kBTU	0 kBTU
Cooling	673 kWh	0 kBTU	0 kBTU	0 kBTU
Base	18500 kWh	0 kBTU	0 kBTU	0 kBTU
<b>Total (yr)</b>	<b>19,173 kWh</b>	<b>42 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	19300 kWh	42 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

## How Your Home Could Save Energy

- Add 6 inches of insulation between floor joists
- Add Insulation in attic to 15" total from existing.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Caulk and seal around booths in floor Existing Duct Work

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
-1969 kWh (Elec)	-1,842 kWh (Elec)	-1,842 kWh	0.12 /kWh	(\$221)
42 kBTU (Gas)	42 kBTU (Gas)	420 therms	2.00 /Therm	\$840
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$52**  
before monthly HowSmart Charge

## Financing

<b>\$8,104.50</b> Cost of Improvements (est):	<b>\$5,083.60</b> Utility Contribution
<b>\$1,620.90</b> Kentucky Home Performance	<b>\$6,352</b> Not to Exceed Amount (90% of Savings)
<b>\$1,400.00</b> Customer Contribution	@ 3%
	over 15 years
	<b>\$37</b> Monthly Charge
	71% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$37	\$46		
Capital Investment	\$5,084	\$6,352		
Project Fee(s)	4.50% \$229	\$286	Payback Period (years)	15
Capital Fee	0.50% \$25	\$32	Cost of Capital	3%
Total Interest over life of payback	<u>\$1,323</u>	<u>\$1,718</u>		
Total Cost over life of payback	\$6,635	\$8,356		

Account Holder: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_



# How\$martKY

Energy Efficiency for Everyone

**GENERAL**

Location Number 202309  
Date of Assessment 9/13/2011  
Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

**1. RETROFIT MEASURES**

Gaulk and seal around booths in floor Existing Duct Work  
Replace HVAC Cooling with New HVAC Cooling System.  
Replace HVAC Heating with New HVAC Heating System.  
Add Insulation in attic to 15" total from existing.  
Add 6 inches of insulation between floor joists

-1842	Projected Savings (kWh)
\$36.86	Calculated Monthly Payment
\$8,104.50	Value of Measures*
\$1,620.90	Kentucky Home Performance*
\$1,400.00	Customer Contribution*

\$5,083.60	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$179.76	Utility Admin Fee*
\$25.42	Capital Fee*
\$5,337.78	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

---

Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	37386
Name	
OwnerName	
Phone	--
Assessor	Roger Medlock
Date	7/20/2011

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	6,800 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	648 kWh	0 kBTU	0 kBTU	
Base	10,100 kWh	0 kBTU	0 kBTU	
Total (yr)	17,548 kWh	0 kBTU	0 kBTU	0 kBTU
	12,100 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Moisture Barrier 6 Mil Black Plastic Lap on walls and peers 12"
- Seal around bathroom tub
- Seal around windows
- Seal Duct Work to 10% of fan capacity.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Add Insulation in attic to 15" total from existing.

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
6480 kWh (Elec)	1,032 kWh (Elec)	1,032 kWh	0.12 /kWh	\$124
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$10**  
before monthly HowSmart Charge

### Financing

<b>\$8,300.00</b>	<b>Cost of Improvements (est):</b>	<b>\$1,240.00</b>	<b>Utility Contribution</b>
<b>\$1,660.00</b>	<b>Kentucky Home Performance</b>	<b>\$1,271</b>	Not to Exceed Amount (90% of Savings)
<b>\$500.00</b>	<b>Rebates - Utility</b>	@ 3%	
<b>\$4,900.00</b>	<b>Customer Contribution</b>	over 15 years	
		<b>\$9</b>	<b>Monthly Charge</b>
		<b>87%</b>	of projected savings



## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

	<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge	\$9	\$9		
Capital Investment	\$1,240	\$1,271		
Project Fee(s)	4.50% \$56	\$57	Payback Period (years)	15
Capital Fee	0.50% \$6	\$6	Cost of Capital	3%
Total Interest over life of payback	<u>\$323</u>	<u>\$344</u>		
Total Cost over life of payback	\$1,618	\$1,672		

Account Holder: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
print name  
Date: \_\_\_\_\_



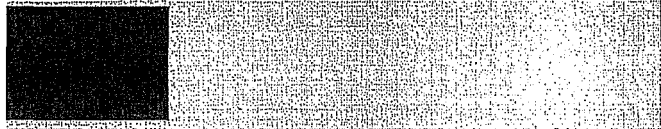
Energy Efficiency for Everyone

**GENERAL**

Location Number 37386  
 Date of Assessment 7/20/2011  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**



1032	Projected Savings (kWh)
\$8.99	Calculated Monthly Payment
\$8,300.00	Value of Measures*
\$1,660.00	Kentucky Home Performance*
\$500.00	Rebates - Utility*
\$4,900.00	Customer Contribution*
\$1,240.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$6.80	Utility Admin Fee*
\$6.20	Capital Fee*
\$1,302.00	Total Cost of Retrofit

**1. RETROFIT MEASURES**

Add insulation in attic to 15" total from existing.  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Seal Duct Work to 10% of fan capacity.  
 Seal around windows.  
 Seal around bathroom tub.  
 Moisture Barrier 6 Mil Black Plastic Lap on walls and peers 12".

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

#### **7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

#### **8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	520197501
Name	[REDACTED]
OwnerName	[REDACTED]
Phone	[REDACTED]
Assessor	Roger Medlock
Date	8/24/1989

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	15,100 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	398 kWh	0 kBTU	0 kBTU	
Base	15900 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>31,398 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	23600 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Replace 3 CFLs
- Seal Duct Work to 10% of fan capacity.
- Add Insulation in attic to 15" total from existing.
- Moisture Barrier 6 mil black plastic lap on wall and peers 12"
- Reduce airleakage to .4ach min

Savings from Baseline:	Savings from Actuals:	Conversions to Fuel	Current Rates	Projected Savings (yr)
11718 kWh (Elec)	3,920 kWh (Elec)	3,920 kWh	0.12 /kWh	\$470
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$39**  
before monthly HowSmart Charge

### Financing

**\$5,060.00** Cost of Improvements (est):

**\$4,048.00** Utility Contribution

**\$1,012.00** Kentucky Home Performance

**\$4,828** Not to Exceed Amount (90% of Savings)

@ 3%  
over 15 years

**\$29** Monthly Charge

75% of projected savings

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

		<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge		\$29	\$35		
Capital Investment		\$4,048	\$4,828		
Project Fee(s)	4.50%	\$182	\$217	Payback Period (years)	15
Capital Fee	0.50%	\$20	\$24	Cost of Capital	3%
Total Interest over life of payback		<u>\$1,053</u>	<u>\$1,305</u>		
Total Cost over life of payback		\$5,283	\$6,350		

Account Holder: \_\_\_\_\_  
 print name

Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
 print name

Date: \_\_\_\_\_



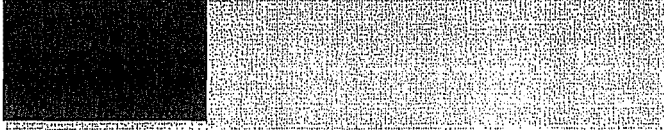
Energy Efficiency for Everyone

**GENERAL**

Location Number 520197501  
 Date of Assessment 8/24/1989  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**



**Owner Information**



3920	Projected Savings (kWh)
\$29.35	Calculated Monthly Payment
\$5,060.00	Value of Measures*
\$1,012.00	Kentucky Home Performance*

**1. RETROFIT MEASURES**

Reduce air leakage to .4ach min  
 Moisture Barrier 6 mil black plastic lap on wall and peers 12"  
 Add Insulation in attic to 15" total from existing  
 Seal Duct Work to 10% of fan capacity  
 Replace 3 CFLs

\$4,048.00	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$133.16	Utility Admin Fee*
\$20.24	Capital Fee*
\$4,250.40	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.



The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account .

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s) .

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.

8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter.

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)



Location ID:	373765201
Name	
OwnerName	
Phone	--
Assessor	Roger Medlock
Date	6/14/1989

### How Your Home Uses Energy

model baseline	Elec	Gas	Propane	Wood/Coal
Heating	18,100 kWh	0 kBTU	0 kBTU	0 kBTU
Cooling	801 kWh	0 kBTU	0 kBTU	
Base	7020 kWh	0 kBTU	0 kBTU	
<b>Total (yr)</b>	<b>25,921 kWh</b>	<b>0 kBTU</b>	<b>0 kBTU</b>	<b>0 kBTU</b>
	25700 kWh	0 kBTU	0 kBTU	0 kBTU

Your home uses energy for heating, cooling, and base load (which is everything that is not heating or cooling).

### How Your Home Could Save Energy

- Replace Window in Basement
- Install Programmable Thermostat.
- Replace HVAC Heating with New HVAC Heating System.
- Replace HVAC Cooling with New HVAC Cooling System.
- Add Insulation in attic to 15" total from existing.
- Reduce airleakage from 2750 to 2240 CFM50

<u>Savings from Baseline:</u>	<u>Savings from Actuals:</u>	<u>Conversions to Fuel</u>	<u>Current Rates</u>	<u>Projected Savings (yr)</u>
2590 kWh (Elec)	2,369 kWh (Elec)	2,369 kWh	0.12 /kWh	\$284
0 kBTU (Gas)	0 kBTU (Gas)	0 therms	2.00 /Therm	\$0
0 kBTU (Propane)	0 kBTU (Propane)	0 Gal	2.88 /Gal	\$0

Based on savings from insulation and air seal only due to calibration.

**Projected Avg Energy Savings (mo) \$24**  
before monthly HowSmart Charge

### Financing

\$7,225.76	Cost of Improvements (est):
\$1,445.15	Kentucky Home Performance
\$2,900.00	Customer Contribution

\$2,880.61	Utility Contribution
\$2,918	Not to Exceed Amount (90% of Savings)
@ 3%	
over 15	years
<b>\$21</b>	<b>Monthly Charge</b>
88% of projected savings	

## Next Steps

1. Sign Purchase Agreement
  2. Select contractor and schedule the job
  3. Energy Specialist returns to inspect completed work
  4. Savings begin and installments charge appears on utility bill.
- If, after operation, any of the upgrades fail, the Utility will reevaluate the work.

## Acceptance:

### I understand that:

Values on previous page are estimates only and are not a guarantee of savings. Energy savings are a best-effort estimation calculated using a computer model. The model takes into account previous usage and characteristics of the house to determine usage and potential savings. Actual savings will vary depending on behavior, weather events, maintenance of the efficiency improvements, and future utility rates.

The Utility has explained what I can do to reduce my energy consumption including, but no limited to: thermostat and other equipment settings, the impact of lighting changes, and additional appliance or home investments not covered under How\$martKY.

Value of the improvements (cost of work) is an estimate and will be verified with the selected contractor. Final monthly charge will be determined at the time of contractor selection. If final project cost is more than the "not to exceed" amount, then customer may opt out of the installation.

Non-payment of the charge will be treated like non-payment of the utility bill potentially resulting in disconnection of service.

The Kentucky Energy Retrofit Rider (marketed as How\$martKY) is a voluntary utility tariff that amortizes the cost of the efficiency improvement over the course of fifteen years or 75% of the expected life of the improvement (whichever is less) at a fixed interest rate. The expected cumulative cost to the customer over the course of the payback period of the improvements is as follows:

		<u>Estimate</u>	<u>Not to Exceed</u>		
Fixed Monthly Charge		\$21	\$21		
Capital Investment		\$2,881	\$2,918		
Project Fee(s)	4.50%	\$130	\$131	Payback Period (years)	15
Capital Fee	0.50%	\$14	\$15	Cost of Capital	3%
Total Interest over life of payback		<u>\$750</u>	<u>\$789</u>		
Total Cost over life of payback		\$3,760	\$3,838		

Account Holder: \_\_\_\_\_  
 print name  
 Date: \_\_\_\_\_

Owner: \_\_\_\_\_  
 print name  
 Date: \_\_\_\_\_



**GENERAL**

Location Number 373765201  
 Date of Assessment 6/14/1989  
 Utility Jackson Energy

Account #

**CUSTOMER INFORMATION**

[Redacted Customer Information]

**Owner Information**

[Redacted Owner Information]

2369	Projected Savings (kWh)
\$20.89	Calculated Monthly Payment
\$7,225.76	Value of Measures*
\$1,445.15	Kentucky Home Performance*
\$2,900.00	Customer Contribution*

**1. RETROFIT MEASURES**

Reduce airleakage from 2750 to 2240 CFM50.  
 Add Insulation in attic to 15" total from existing.  
 Replace HVAC Cooling with New HVAC Cooling System.  
 Replace HVAC Heating with New HVAC Heating System.  
 Install Programmable Thermostat.  
 Replace Window in Basement.

\$2,880.61	Amount paid by Utility
\$29.00	UCC Filing Fee*
\$20.00	Software License Fee*
\$80.63	Utility Admin Fee*
\$14.40	Capital Fee*
\$3,024.64	Total Cost of Retrofit

**2. INFORMATION ACCURACY**

Customer and owner have made every effort to provide Company/its Agent with accurate information about the structure and its use to enable the Company to assess the energy efficiency of Customer's premises and equipment. Customer and owner acknowledge that the accuracy of the savings estimates above depend on the accuracy of information provided to the Company.

Customer's Initials \_\_\_\_\_ Owner's Initials \_\_\_\_\_

**3. PURPOSE OF THIS AGREEMENT**

This Agreement permits the Retrofit Measure(s) noted above to be installed on behalf of the Customer, in the Owners' building at the above property address with the above Location ID and obligates the Owner to disclose any payment requirement to future tenants and to any purchaser of these premises as described in Section 6.2 below. The agreement also describes the responsibilities, understandings and authorizations of Customers and Owners in implementing, maintaining, disclosing and paying for the above mentioned Retrofit measures.

**4. CUSTOMER RESPONSIBILITIES AND UNDERSTANDING**

4.1 Customer will provide access to premises to the Company/its agent, Contractor and their respective employees or subcontractors to install, inspect and/or repair Retrofit measures.

4.2 Customer shall make consecutive monthly payments specified above to the Company as part of the utility bill until all payments have been made or Customer no longer has an account with the Company. For portable Retrofit measures, all remaining payments will be due with the final bill.

4.3 Maintain the installed Retrofit measure(s) in place for at least as long as there are payments due under this Agreement unless otherwise agreed to by Company/its Agent. Customers will be responsible for all required maintenance and out of warrantee repairs.

4.4 Customer shall notify the Company if any of the above Retrofit measures stop working. The Company/its Agent will verify Retrofit failure, assess repair need/cause and authorize the repair. The Company/its agent may suspend Customer's Retrofit Project charges while repairs are being made, to the degree that energy savings are compromised. Contractors and warrantees will cover costs of repairs due to defects in workmanship or equipment per contract and warrantees. Customers will cover costs for customer damage, out of warrantee repairs and any remaining repair costs. The Company/its Agent may increase the number of remaining Retrofit payments to recover repair costs not reimbursed, including administration.

Alternatively, Customer may repair Retrofit measures at Customer's expense and, if applicable, will be entitled to any reimbursement from existing warranties.

The Company/its Agent may repair a measure that is not working and seek compensation from Customer or owner as appropriate or recover any costs that were not reimbursed after warranty payments are applied by increasing the number of Retrofit payments at this location. The Company/its Agent may likewise be reimbursed for maintenance costs required to keep systems operating as described above.

4.5 Capital Provider will own the installed Retrofit measures during the duration of payments by occupant, Customer will not apply for or claim tax or other credits which will be claimed by and belong to the Capital Provider.

4.6 In some cases, (where the portable equipment replaced belonged to the meter holder) Customers may relocate portable retrofit measures to another meter/account location also served by Company upon obtaining Company prior agreement in writing and transferring all outstanding balances for the relocated Retrofit measures to their new account.

4.7 Customer will make a good faith effort to participate in Retrofit program follow-up surveys for the purpose of evaluating the effectiveness of the Retrofit system and to provide information requested by the Public Service Commission and state Energy Office.

4.8 The Customer understands that an Independent Contractor-Customer relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of Company/its Agent. Company/its Agent will not be liable for personal injury, property damage or illegal activity caused by Contractor or Contractor's agents or employees. Company is not a guarantor of products and this Agreement does not limit Customer's rights regarding manufacturers, vendors and contractors.

4.9 Customer understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

#### **5. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

5.1 Assign the Retrofit Tariff to this location which shall remain in full force until the final Retrofit obligation has been paid in full.

5.2 Be its representative to coordinate and facilitate the installation of the Retrofit measure(s) listed above and related work including arranging for repair or replacement if any of the Retrofit measures fail prior to the Customer making the final payment.

5.3 Enter into the Contractor Installation Agreement with the Contractor on Customer's behalf for the purpose of installing Retrofit measure(s) and related work.

5.4 Enter into change orders with Contractor on behalf of the Customer so long as the change orders do not increase the Customer's monthly payment amount under the terms of this Agreement. Customer understands that any change order that increases Customer's monthly payment amount under this Agreement must be agreed to in writing by Customer, the Owner, the Company/its Agent and the Contractor.

#### **6. CUSTOMER AUTHORIZES COMPANY/ITS AGENT TO:**

6.1 Owner agrees to assume all the above mentioned Customer Responsibilities, Understandings and Authorizations, including Retrofit repayment whenever utility service to the above reference service location is in the Owners' name.

6.2 Owner shall make all remaining Retrofit payments upon closing their utility account or upon sale of the property or disclose the Retrofit monthly payment obligation to the next customer. Owners renting out the above premises shall disclose monthly Retrofit payment obligation to all subsequent tenants until the obligation has been repaid. Failure to disclose will constitute permission by the Owner for the next customer to break a lease or purchase agreement for the premises within thirty (30) business days of applying for utility service. A signed copy of the New Customer Disclosure form will constitute proof of disclosure.

6.3 Owner will maintain installed Retrofit measures in place for at least as long as there are payments due under this Agreement and responsible for any required maintenance and for costs incurred from failure to properly maintain the Retrofit measure(s).

6.4 Owner will be responsible for cost associated with owner damage.

6.5 Owner will obtain and maintain property insurance for casualty losses on the premises sufficient to ensure replacement of any measure installed under this program, or repayment of any outstanding Retrofit obligation if building/measures are not restored. Customer and owner agree to use any insurance claims payments to pay for replacement or repair of damaged measures with comparable products approved by Company/its Agent or to pay off any balance owed to the Company for Retrofit products installed in the premises.

6.6 Owner understands that this Agreement does not constitute a loan nor create any obligations under Kentucky law pertaining to consumer credit or mortgage financing. Early repayment of Retrofit obligations shall not result in any prepayment discounts nor refunds.

6.7 Owner warrants that (s)he is the sole owner or represents all owners of these premises and is authorized to sign below. If this is not the case, signee agrees to assume all responsibility for costs associated with the installation of Retrofit measures including but not limited to their installation, removal, premises repairs, and program costs.

**7. OWNER AUTHORIZES COMPANY/ITS AGENT TO:**

7.1 Arrange for installation of the Retrofit measures listed above and detailed in the Conservation Plan.

7.2 Assign the Retrofit Tariff to this premise. Owner understands repayment obligations will continue until such time Company has been fully reimbursed for costs itemized above. Owner has no repayment obligations at any time utility service is in the name of his/her current tenant or future tenants with this exception: Owner will assume the payment obligation any time a Retrofit measure is removed by Owner.

7.3 Owner may indicate a preferred Contractor among those qualified by the Company/its agent to install Retrofit measures. Owner authorizes the Company/its Agent to arrange for a qualified Contractor to install Retrofit measures. Owner understands that when an independent contractor installs Retrofit measures, an independent relationship has been created by virtue of the Contractor Master Agreement between Company/its Agent and Contractor. Contractor is not an employee or agent of the Company. Company/its Agent will not be liable for personal injury or property damage caused by Owner, Contractor or Contractor's agents or employees. Company is not a guarantor of products, materials, or work performed by contractor. This Agreement does not limit or increase Owner's rights regarding manufacturers, vendors and contractors.

7.4 Manage change orders consistent with the Conservation Plan. Any change that deviates from the approved Conservation Plan must be agreed to in writing by Customer, Owner, Company/its Agent, and the Contractor.

7.5 Issue payment for Retrofit products, materials and/or work when an independent contractor or vendor is used. (Labor or installation charges will not be reimbursed for self-installed measures). Payment made by Company does not guarantee the work performed by the Contractor. The Contractor is solely responsible for the installation of the Retrofit measure(s).

7.6 Obtain insurance (e.g., fire) or authorize its agent to obtain insurance at its cost on the premises sufficient to ensure Company or its financing agent recovers all costs associated with measure installation. Any insurance costs to be charged back to Customer are included in the Retrofit measure costs noted above.

7.7 Record the attached UCC-1 Fixture Lien form at the County Clerk's Office to facilitate disclosure of Retrofit obligations to successor customers at this location.

**8. AGREEMENT DURATION, TERMINATION AND MISCELLANEOUS PROVISIONS**

8.1 This Agreement shall remain in full force and effect until the final Retrofit payment has been made, Customer closes the account at this location, or the Agreement is terminated by mutual consent of the parties.

No Retrofit payments will be due to Company until these premises are occupied but no later than three months after the completion of the work.

If the Customer breaches any of the terms of this Agreement, Customer shall reimburse Company for all costs incurred for Retrofit measures. Such costs include but are not limited to all costs for measures, installation, repair or replacement, administration, litigation, product subsidy, and interest. At its option, Company may recover these costs through payments to Company from customers at this location.



8.4 At Customer's request, at any time, Company will terminate this Agreement. Customer must pay all costs Company/its Agent incurred for these Retrofit measure(s).

8.5 No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement. Notice from one party to the other under this Agreement shall be deemed to have been properly delivered if forwarded by First Class Mail to Customer or Company addresses noted on this page. Company maintains a right of inspection and access for repair, upon reasonable notice and during normal business hours, of the Retrofit measure(s) installed pursuant to this Agreement for the duration of this Agreement. Any such inspection shall not be deemed as endorsement by Company/its Agent of work performed.

8.8 In the event of any dispute arising over the Retrofit program between Customers, Owners, and/or Contractors, Company will work with the disputing parties to obtain a mutually satisfactory resolution. In the event a satisfactory resolution cannot be reached, the dispute will be submitted to an arbiter of Company's choice. Responsibility for all costs of arbitration shall be allocated between the disputing parties as determined by the arbiter

8.9 Company's Retrofit program is subject to Kentucky Public Service Commission (PSC) jurisdiction and approved as Kentucky Energy Retrofit Rider.

8.10 The provisions of this Agreement shall benefit and bind the successors and assigns of Customer and Company. If any of this Agreement shall be held invalid or ineffective in whole or in part, such determination shall not be deemed to invalidate any of the remaining portions of this Agreement. This Agreement is governed by State law.

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Owner)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Account holder - if different)

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Name: \_\_\_\_\_ Date: \_\_\_\_\_ (Utility Representative)