

RESOLUTION
of the
BOROUGH OF NEW PROVIDENCE
Resolution No. 2017-074

Council Meeting Date: 02-15-2017

Date Adopted: 02-15-2017

TITLE: RESOLUTION APPROVING APPLICATIONS AND AUTHORIZING PARTICIPATION AGREEMENTS FOR NEW JERSEY'S CLEAN ENERGY DIRECT INSTALL PROGRAM FOR THE NEW PROVIDENCE RESCUE SQUAD FACILITY AND NEW PROVIDENCE FIRE HOUSE

Councilperson Galluccio submitted the following resolution, which was duly seconded by Councilperson Muñoz.

WHEREAS, New Jersey Clean Energy offers statewide programs and services to New Jersey residents, businesses and local governments to help save energy, money and the environment; and

WHEREAS, the Direct Install program offers a streamlined process to realize energy efficiency by replacing old equipment with energy efficient technology; and

WHEREAS, the Direct Install program will provide a free no obligation energy assessment to identify cost saving measures; and

WHEREAS, the Direct Install program will pay seventy (70) percent of the project cost if the Borough agrees to implementation of the identified cost saving measures.

NOW THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of New Providence in the County of Union, they hereby approve the submission of the New Jersey Clean Energy Direct Install Program applicationS and further authorize and direct the Borough Administrator and Borough Clerk to execute same on behalf of the Borough of New Providence

APPROVED, this 15th day of February, 2017.

RECORD OF VOTE

| | AYE | NAY | ABSENT | NOT VOTING |
|-----------|-----|-----|---------------------------|------------|
| GALLUCCIO | X | | | |
| GENNARO | X | | | |
| KAPNER | X | | | |
| MADDEN | X | | | |
| MUÑOZ | X | | | |
| ROBINSON | X | | | |
| MORGAN | | | TO BREAK COUNCIL TIE VOTE | |

I hereby certify that the above resolution was adopted at a meeting of the Borough Council held on the 15th day of February, 2017

Wendi B. Barry, Borough Clerk



**PSE&G Direct Install Program
for Government, Non-Profit Facilities,
and Small Businesses**

Energy Efficiency Upgrade Proposal

Prepared For:
NEW PROVIDENCE RESCUE SQUAD

7 ACADEMY ST

NEW PROVIDENCE, NJ 07974-1842

Phone Number (908) 665-0631

Project Number TBD

Vendor Tracking Number: 1890664

Account Number: 6567858508



NEW PROVIDENCE RESCUE SQUAD
 7 ACADEMY ST
 NEW PROVIDENCE, NJ 07974-1842
 Phone Number (908) 665-0631

Estimated Retail Energy Savings

| Electric | Lighting | Non - Lighting | Total |
|------------------------|----------|----------------|----------|
| Existing kW Load | 6 | | 6 |
| Proposed kW Load | 2 | | 2 |
| kW Load Savings | 4 | 0 | 4 |

| Electric | Lighting | Non - Lighting | Total |
|-------------------------|---------------|----------------|---------------|
| Existing kWh Load | 19,563 | | 19,563 |
| Proposed kWh Load | 7,460 | | 7,460 |
| kWh Load Savings | 12,103 | 0 | 12,103 |

| Gas | Lighting | Non - Lighting | Total |
|----------------------|----------|----------------|----------|
| Existing Term Load | - | | 0 |
| Proposed Therm Load | - | | 0 |
| Therm Savings | - | 0 | 0 |

Estimated Retail Energy Cost Savings

| | Lighting | Non - Lighting | Total |
|-------------------------|----------------|----------------|----------------|
| Existing Electric Cost | \$2,934 | \$0 | \$2,934 |
| Proposed Electric Cost | \$1,119 | \$0 | \$1,119 |
| Electric Savings | \$1,815 | \$0 | \$1,815 |

| | | | |
|--------------------|----------|------------|------------|
| Existing Gas Cost | - | | \$0 |
| Proposed Gas Cost | - | \$0 | \$0 |
| Gas Savings | - | \$0 | \$0 |

Total Project Cost Breakdown

| | Lighting | Non - Lighting | Total |
|--------------------------------------------------|----------|----------------|-----------------|
| Total Project Cost | \$19,078 | \$0 | \$19,078.37 |
| PSE&G Contribution (70% Installed Cost) | | | -\$13,354.86 |
| Net Project After Rebate | | | \$5,723.51 |
| Monthly Payment (36 months @ 0% Interest) | | | \$158.99 |

Cash Flow Analysis

| | Lighting | Non - Lighting | Total |
|----------------------------------------------------|----------|----------------|-------|
| Total Monthly Savings | \$151 | \$0 | \$151 |
| Customer Monthly Payment (36 months @ 0% Interest) | | | \$159 |
| Monthly Cash Flow (36 months) | | | -\$8 |



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Projected Three Year Monthly Cash Flow

| Month | Customer Payments | Monthly Savings | Cumulative Cash Flow |
|---------------|-------------------|-----------------|----------------------|
| 1 | \$159 | \$151 | -\$8 |
| 2 | \$159 | \$151 | -\$15 |
| 3 | \$159 | \$151 | -\$23 |
| 4 | \$159 | \$151 | -\$31 |
| 5 | \$159 | \$151 | -\$38 |
| 6 | \$159 | \$151 | -\$46 |
| 7 | \$159 | \$151 | -\$54 |
| 8 | \$159 | \$151 | -\$62 |
| 9 | \$159 | \$151 | -\$69 |
| 10 | \$159 | \$151 | -\$77 |
| 11 | \$159 | \$151 | -\$85 |
| 12 | \$159 | \$151 | -\$92 |
| 13 | \$159 | \$151 | -\$100 |
| 14 | \$159 | \$151 | -\$108 |
| 15 | \$159 | \$151 | -\$115 |
| 16 | \$159 | \$151 | -\$123 |
| 17 | \$159 | \$151 | -\$131 |
| 18 | \$159 | \$151 | -\$139 |
| 19 | \$159 | \$151 | -\$146 |
| 20 | \$159 | \$151 | -\$154 |
| 21 | \$159 | \$151 | -\$162 |
| 22 | \$159 | \$151 | -\$169 |
| 23 | \$159 | \$151 | -\$177 |
| 24 | \$159 | \$151 | -\$185 |
| 25 | \$159 | \$151 | -\$192 |
| 26 | \$159 | \$151 | -\$200 |
| 27 | \$159 | \$151 | -\$208 |
| 28 | \$159 | \$151 | -\$216 |
| 29 | \$159 | \$151 | -\$223 |
| 30 | \$159 | \$151 | -\$231 |
| 31 | \$159 | \$151 | -\$239 |
| 32 | \$159 | \$151 | -\$246 |
| 33 | \$159 | \$151 | -\$254 |
| 34 | \$159 | \$151 | -\$262 |
| 35 | \$159 | \$151 | -\$269 |
| 36 | \$159 | \$151 | -\$277 |
| Totals | \$5,724 | \$5,446 | -\$277 |



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Projected Five Year Cash Flow

| Year | Customer Payments | Yearly Savings | Cumulative Cash Flow |
|---------------|-------------------|----------------|----------------------|
| 1 | \$1,907.84 | \$1,815 | -\$92 |
| 2 | \$1,907.84 | \$1,815 | -\$185 |
| 3 | \$1,907.84 | \$1,815 | \$1,631 |
| 4 | 0 | \$1,815 | \$3,446 |
| 5 | 0 | \$1,815 | \$5,262 |
| Totals | \$5,724 | \$9,077 | \$5,262 |



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Proposal Notes:

The predominant operating hours for this analysis provided by Customer are: 4,004
An electric rate of \$0.15 per kWh was utilized to generate this proposal.
A gas rate of \$0.97 per Therm was utilized to generate this proposal.
This is a turnkey Proposal and includes, but is not limited to, all labor, permits, and material costs.
Project costs do not include New Jersey sales tax. For capital improvement projects, customer must complete and submit a ST-8 form for tax exemption.
Recycling of all lamps is included in the scope of work for this project.
Project installation labor is warranted for a period of one (1) year - see the contract for more information.
New Jersey Clean Energy Program Protocols 2014 were utilized to evaluate this Project Proposal. The estimated energy savings and environmental impacts in this proposal are based on the New Jersey Clean Energy Program Protocols 2014. Among other items, these Protocols utilize predetermined run hours which may be different that the predominant operating hours provided by the Customer. The Company does not guarantee the proposed energy savings measures will, in fact, save any level of energy or result in a lowering of Customer's energy bills. However, based on the represented predominant run hours, it is expected that the actual energy savings will be near the estimates provided in this Project Proposal.
The information provided in this proposal is for informational purposes only and Customer's actual energy savings may vary based on numerous determining factors including but not limited to weather, changes to Customer utility rates, facility use and facility operating hours.



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Environmental Impact Statement

According to the EPA, for each kWh saved, approximately 1.52 pound of Carbon Dioxide (CO2), .0065 pounds of Sulfur Dioxide (SO2), and .0028 pounds of Nitrogen Oxides (NOx) are eliminated from future power plant emissions into our atmosphere annually.

CO2 is a "Greenhouse Gas" while SO2 contributes to acid rain formation and NOx contributes to the atmosphere ozone formation (Smog) and estuarial damage.

The Annual Pollution Reduction Impact of Your Project

| | |
|-----------------------|--------|
| Carbon Dioxide (lbs) | 18,396 |
| Nitrogen Oxides (lbs) | 33 |
| Sulfur Dioxide (lbs) | 78 |

For every 10,000 Kilowatt Hours saved the EPA has estimated the savings to be equivalent to planting 2.9 acres of trees annually or equivalent to removing 1.4 cars from our roads annually.

Your Project's Local Impact

| | |
|------------------------|---|
| Acres of Trees Planted | 3 |
| Cars Removed | 1 |

Energy Savings Calculator How We Derive Your Energy Savings:

$$\frac{\text{Watts Saved} \times \text{Operating Hours}}{1,000 \text{ w per KW}} \times \text{kWh Rate}$$

We save you electric energy (kilowatt-hours) by updating your lighting equipment with advanced, highly efficient technology products that provide more capability while using less electricity.

While your cost per kilowatt-hour is fixed, your operating hours are variable as they are in your control. As long as operating hours are as represented, your electrical savings should be in line with the projected energy savings.

For more information please visit www.epa.gov



| Account: 6567858508 | | NEW PROVIDENCE RESCUE SQUAD | | | | | |
|---------------------|---------------------------|-----------------------------|-----------------------------------|-------------------|----------------------------------------|------------------------|-------------|
| Measure Line Item | Area Description/Location | Floor | Exist. Measure | Count of existing | Proposed Measure | Proposed Measure Count | Watts Saved |
| 1 | Admin Operations | 2 | 2X2 2L 40BX EIS-N TROF ACRY GRID | 8 | LED 35W 2X2 Recessed Troffer Fixture | 8 | 424 |
| 2 | Closet | 2 | 1x4 1L F48T12HO MAG INDU SURF | 1 | LED 30W 1X4 WRAP FIXTURE | 1 | 54 |
| 3 | Men's Room | 2 | 100A 1L OPEN | 5 | 1L LED 12W A-Lamp | 5 | 440 |
| 4 | Men's Room A | 2 | 1x4 2L F32T8 IS-88 PARA | 2 | 2 Lamp LED 15W Single End Tube Re-Lamp | 2 | 58 |
| 5 | Ladies Bathroom | 2 | 100A 1L OPEN | 6 | 1L LED 12W A-Lamp | 6 | 528 |
| 6 | Ladies Bathroom A | 2 | 1x4 2L F32T8 IS-88 PARA | 2 | 2 Lamp LED 15W Single End Tube Re-Lamp | 2 | 58 |
| 7 | Training Room | 2 | No Audit This Room | 22 | No Measure - Lighting | 22 | 0 |
| 8 | Ready Room And Hall | 2 | 2X2 2L 40BX EIS-N TROF ACRY GRID | 15 | LED 35W 2X2 Recessed Troffer Fixture | 15 | 795 |
| 9 | Kitchen | 2 | No Audit This Room | 6 | No Measure - Lighting | 6 | 0 |
| 10 | Kitchen B | 2 | 1L 60A RECA | 3 | LED 7 Watt A19 1L Re-Lamp | 3 | 159 |
| 11 | Stairways | 2 | No Audit This Room | 2 | No Measure - Lighting | 2 | 0 |
| 12 | Stairways A | 2 | 100A 1L OPEN | 3 | 1L LED 12W A-Lamp | 3 | 264 |
| 13 | Electrical Room | 1 | 1x4 1L F48T12HO MAG INDU SURF | 2 | LED 30W 1X4 WRAP FIXTURE | 2 | 107 |
| 14 | Cleaning Closet | 1 | 1x4 1L F32T8 EIS-N WRAP ACRY SURF | 1 | 1 Lamp LED 15W Single End Tube Re-Lamp | 1 | 16 |
| 15 | Restroom | 1 | No Audit This Room | 1 | No Measure - Lighting | 1 | 0 |
| 16 | Hall | 1 | 2X2 2L 40BX EIS-N TROF ACRY GRID | 7 | LED 35W 2X2 Recessed Troffer Fixture | 7 | 371 |
| 17 | Garage | 1 | 1x4 2L F32/28T8 PS/88 STRP | 22 | LED 30W 1X4 WRAP FIXTURE | 22 | 300 |
| 18 | Laundry Room | 1 | 2x4 3L F32/30T8 EIS TROF | 2 | LED 35W 2X4 Recessed Troffer Fixture | 2 | 86 |
| 19 | Operations | 1 | 2x4 3L F32T8 EIS-N TROF ACRY GRID | 8 | LED 35W 2X4 Recessed Troffer Fixture | 8 | 440 |
| 20 | Closet | 1 | 1x4 1L F32T8 EIS-N WRAP ACRY SURF | 2 | LED 30W 1X4 WRAP FIXTURE | 2 | -1 |



**PSE&G Direct Install Program for
Government and Non-Profit Facilities
and Small Businesses located in UEZs**

**Customer Contract (Terms & Conditions)
INSTALLATION AND REPAYMENT AGREEMENT**

Contact Name:
Date: 01/25/17
Facility Name: New Providence Rescue Squad
Facility Address: 7 Academy Street **PSE&G Account #:** 6567858508
Town, State and Zip Code: New Providence, NJ 07974
TrakSmart ID: **Phone:** **Phone #2:** **Audit Date:** ?
Facility Sq. Footage: 2,500 **Auditing Firm:** Fgs - Ray Willer **Auditor:** Gary Bell

This Installation and repayment Agreement is entered into by and between Public Service Electric and Gas Company (the "Company" or "PSE&G") and New Providence Rescue Squad (the "Customer") and Landlord (if the energy conservation measures (ECMs) are to be installed at the Landlord's property), each individually referred to as a "Party" and collectively referred to as the "Parties".

Public Service Electric and Gas Company is offering an energy conservation program (the "Program") to customers in its electric and/or gas service territory ("Customer"), that are government or non-profit entities with annual peak demands equal to or less than 200 kW. The Program is also offered to small business customers with annual peak demands equal to or less than 200 kW, that are located in an Urban Enterprise Zone (UEZ). The Customer is the Company's customer of record, i.e. the PSE&G electric and/or gas account holder. Under the Program, the Company is arranging the installation of certain energy conservation measures ("ECMs") at eligible Customer government/non-profit/small business facilities (the "Facility").

This Direct Install Program for Government/Non-Profit/Small Business Facilities Customer Contract - Installation and Repayment Agreement (the "Agreement") is entered into by and between PSE&G and New Providence Rescue Squad as of 01/25/17.

Customer agrees (a) to have the Company or its designee install the ECMs and (b) to pay a portion of the installation cost as described in Paragraph 6 listed below. The following are Terms and Conditions that govern the Program and the installation of the ECMs:

1. ECMs to be Installed

The Company, (or the Company through its designated Contractor) will install at Customer's facility the ECMs described in Paragraph 6 below. The Company shall permanently disable all lamps replaced pursuant to this Agreement (make them unfit for reuse). The Company shall dispose of all materials including fluorescent ballasts and lamps, old fixtures and HVAC/refrigeration equipment.

2. Installation Date

The Company will use commercially reasonable efforts to install the ECMs within thirty (30) days of Customer signing this Agreement.

3. Warranty and Disclaimers

(a) The Company will provide a one-time replacement free of charge for any equipment that fails to operate according to manufacturer's specifications for a period of one (1) year after the date of the original installation.

(b) Customer may have other warranty rights that may have been provided by the manufacturer of the devices installed under this Agreement. Customer, however, may exercise such rights only against the manufacturer, and not against the Company or its affiliates. The Company shall use commercially reasonable effort to assist the Customer's efforts to enforce the manufacturer warranties.

(c) OTHER THAN THE REPLACEMENT WARRANTY STATED IN SUBPARAGRAPH 3(a) ABOVE, NEITHER THE COMPANY NOR ITS AFFILIATES MAKE ANY WARRANTIES OF ANY KIND, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

(d) THE COMPANY DOES NOT GUARANTEE THAT THE ECMS WILL, IN FACT, SAVE ANY LEVEL OF ENERGY OR RESULT IN A LOWERING OF CUSTOMER'S ENERGY BILLS. The information provided in the "Energy Efficiency Upgrade Proposal" is for informational purposes only and Customer's actual energy savings may vary based on numerous determining factors including but not limited to weather, changes to Customer utility rates, Facility use and Facility operating hours.

(e) Neither the Company nor its affiliates shall be liable to Customer for consequential or incidental damages arising out of the Program, whether in contract, tort (including negligence) or any other theory of recovery.

4. Access to Property

(a) The Customer grants PSE&G and its subcontractor(s) reasonable access to the Facility during normal business hours to perform the installation work at such date and time as the Parties shall mutually agree. If Customer's Facility requires work to be performed during off-business hours, arrangements may be made for off hours installation. In all instances, Customer will be responsible for costs arising from failure to grant access as arranged. These costs will not be included with the ECMs installation costs, savings analysis, or Customer contribution.

(b) In addition, the Customer will allow the Company to make a reasonable number of follow-up visits during the twenty-four months following installation, with advance notice and at a time convenient to the Customer. The purpose of the follow-up visits is to provide the Company with an opportunity to review the operation of the ECMs for program education purposes. During the follow-up visits, the Company may make recommendations to the Customer regarding operation of the ECMs, however Customer is under no obligation to follow any such recommendations. If the Customer implements such recommendations, the Company will not be liable to the Customer in tort (including negligence) for the Customer's reliance on the recommendations.

5. Discretion of Company

When undertaking the installation, the Company (at its sole discretion) may choose not to make the installations specified below for reasons, including but not limited to: issues related to safety, discovery of unforeseen conditions or the complete utilization of Company's program budget.

6. Equipment and Customer Contribution

(a) The Company or its designee will install the equipment listed in the "Energy Efficiency Upgrade Proposal" attached to this Agreement. The estimated cost of the installation including the estimated cost of the Customer's contribution, which shall be 30% of the total project cost, is also itemized in this Agreement. The Customer will pay Customer's cost contribution over a period of thirty six (36) months interest free, through an additional charge on the PSE&G utility bill, or, if the Customer chooses, in one lump sum interest free, through an additional charge on the PSE&G utility bill. If a Customer chooses to pay Customer's cost contribution over a period of thirty six (36) months and Customer occupies the Facility under a lease agreement, and if Customer terminates the lease agreement or vacates the Facility prior to making the final Program payment, in addition to all other remedies available to the Company, the Company may declare all of the unpaid balance immediately due and payable, and the Customer shall immediately pay all of the unpaid amount to the Company.

The total project amount is \$19,078.37

The Customer opts to pay its cost contribution via their PSE&G bill in (check one):

One lump sum payment of \$5,723.51 **OR** Thirty six (36) monthly payments of \$158.99

(b) The Customer shall pay no more than the estimated cost shown on the report. If the actual cost of the installation is less than the estimated cost or if the Company chooses not to install the ECMs in accordance with Section 5, the Company shall adjust the Customer's contribution and advise the Customer. The reduction in contract amount will be confirmed on the "Customer Job Completion Certification Form".

(c) If the actual cost of the installation is more than the estimated cost, subject to PSE&G approval, the Customer Contract will be amended and Customer, PSE&G and Landlord (if required) signatures will be required. The increase in contract amount will be confirmed on the "Change Order and Amendment".

(d) Customer certifies that it has not and will not receive incentives under the New Jersey Clean Energy Program for the same ECMs.

7. CUSTOMER HAS OBTAINED, TO THE EXTENT IT HAS DEEMED NECESSARY OR PRUDENT, LEGAL COUNSEL TO ADVISE IT ON THIS AGREEMENT.

8. Customer agrees that this Agreement constitutes the full, complete, and only agreement between the Parties and supersedes any previous representations or agreements, and this Agreement shall not be amended except in writing signed by duly authorized representatives of both Parties.

9. The NJ BPU requires that PSE&G participate in the PJM Capacity Market* through the demand reductions achieved by the ECMs installed as part of this Program. The Customer acknowledges and agrees that, for purposes of participating in the PJM Capacity Market, PSE&G shall own the rights to all such demand reductions without cost or obligation to the Customer. PSE&G's ownership of the Project's demand reductions does not affect the Customer's ownership of the ECMs nor the energy savings derived from the ECMs.

As required by PJM, PSE&G reserves the right to perform measurement and verification ("M&V") at all participating facilities. PSE&G M&V activities at the Facility may, in PSE&G's sole discretion, include but not be limited to, meter installation, calibration and maintenance of M&V equipment, data gathering and screening, verification of M&V reports and the use of customer energy and cost savings, and billing information. PSE&G will notify the Customer if an ECM installed at the Facility requires M&V, will inform the Customer of the PSE&G M&V activities, and will work with the Customer to minimize any adverse effects on the Customer's normal operations. PSE&G, or its subcontractor, may audit the Facility to verify the operation of all installed ECMs for up to four (4) years following installation to ensure compliance with PJM Capacity Market rules and regulations. The Customer shall cooperate with and support PSE&G's ownership of the demand reductions as set forth in this Section 9.

***PJM Capacity Market**

PJM Interconnection is the regional transmission operator (RTO) that coordinates the movement of wholesale electricity in all or parts of 13 states including New Jersey. PJM operates a competitive wholesale electricity market and manages the high-voltage electricity grid to ensure reliability for more than 61 million people. PJM holds regular capacity auctions to ensure there is sufficient generating capacity available to meet customer needs. Load reductions from ECMs are allowed to participate in these auctions as 'negative' generation. PSE&G is required to offer the demand reductions achieved through PSE&G's energy efficiency programs into the PJM Capacity Auctions. The Customer will own the ECMs installed as part of the Project, as well as recognize the ECM energy and/or cost savings, however they may not offer the demand reductions into the PJM Capacity Market.

10. Customer agrees (A) That the laws of the State of New Jersey shall govern this Agreement and any dispute arising hereunder shall be litigated in a Federal or State Court located in the State of New Jersey, (B) TO WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW THE RIGHT TO A TRIAL BY JURY.

11. **In the event any provision of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, the remaining provisions of this Agreement shall remain in full force and effect to the maximum extent possible.**

12. **This Agreement is neither intended to create, nor shall it be construed as creating, a joint venture, partnership or other form of business association between the Parties, or an agreement to enter into any business relationship.**

13. **Entire Agreement; Counterparts**

This Agreement constitutes the full, complete and only agreement between the Parties hereto with respect to the foregoing and supersedes any previous agreements, representations or undertakings, either oral or written. This Agreement may be executed by the Parties hereto on separate counterparts each of which when executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

14. **Amendments**

This Agreement shall not be amended, modified or otherwise altered, except pursuant to a written agreement signed by the Parties.

15. **Governing Law; Venue**

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of New Jersey.

16. **Limitation of Liability; Limitation of Actions**

In no event will PSE&G or its subcontractors be liable for any losses, damages, cost or expenses however caused, arising from this Agreement. PSE&G's total liability to Customer for all actions, claims, or suits of any kind, whether based upon warranty, contract, tort (including negligence and strict liability) or otherwise, for any losses, damages, costs or expenses of any kind whatsoever arising out of, resulting from, or related to the performance or breach of this Agreement shall, under no circumstances, exceed the cost of the Customer's contribution to the cost of the ECMs. PSE&G shall not, under any circumstances, be liable for any special, indirect, incidental, punitive or consequential losses, damages, costs, or expenses whatsoever (including for lost profits, time or revenue) for anything arising out of the performance or nonperformance of this Agreement, whether claims for said losses or damages are premised on warranty, negligence, strict liability, contract or otherwise. Any action against PSE&G arising out of, resulting from, or related to the performance or breach of this Agreement shall be filed no later than one (1) year after the cause of action has occurred. The provisions of this paragraph 16 shall survive termination or expiration of this Agreement.

17. **Indemnity**

CUSTOMER SHALL DEFEND AND HOLD THE COMPANY HARMLESS FOR ALL NEGLIGENT OR INTENTIONAL ACTS OF THIRD PARTIES. THE PROVISIONS OF THIS PARAGRAPH PROVIDING FOR THE CUSTOMER'S DUTY TO DEFEND, INDEMNIFY, AND HOLD HARMLESS THE COMPANY SHALL ALSO APPLY TO AND PROTECT THE COMPANY'S OFFICERS, AGENTS, SERVANTS, EMPLOYEES, SHAREHOLDERS, SUCCESSORS, AND ASSIGNS. THE CUSTOMER'S OBLIGATION TO DEFEND, INDEMNIFY, AND HOLD HARMLESS THE COMPANY SHALL UNDER THE PROVISIONS OF THIS PARAGRAPH EXCLUDE ONLY AND TO THE EXTENT THAT SUCH INSTANCES ARE DUE TO THE COMPANY'S INTENTIONAL AND DELIBERATE MISCONDUCT OR WHERE THE PERSONAL INJURY, DEATH, OCCUPATIONAL DISEASE OR LOSS OR DAMAGE TO REAL OR PERSONAL PROPERTY WAS DUE TO THE COMPANY'S SOLE NEGLIGENCE.

18. Customer Confidentiality

PSE&G shall consider all information furnished by Customer to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than in connection with the Program without the Customer's prior written consent. The Customer shall consider all information furnished by PSE&G to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than in connection with the Program without PSE&G's prior written consent; provided, however, either Party may disclose such information as may be required to be disclosed by law or court order from a court of competent jurisdiction, and provided further that, unless otherwise prohibited by law, the Party whose information is required to be disclosed is given reasonable time to take legal action to quash such action and seek other protection. The Customer expressly understands and agrees that PSE&G is required to: 1) Report all program data including customer specific information to the NJ regulators on a periodic basis ("Regulatory Reporting"), and 2) Prepare a Program evaluation report (the "Program Evaluation Report") and submit it to the NJ regulators. The Customer expressly further understands and agrees that both the Regulatory Reporting and the Program Evaluation Report may, among other participant and Project information, identify the Program participants by name and Project address, identify the ECMs implemented by each Program participant and the energy and cost savings achieved by each Program participant.

19. Sale or Transfer of Property

If Customer chooses to pay Customer's cost contribution over a period of thirty six (36) months and Customer occupies the Facility under a lease agreement, and if Customer terminates the lease agreement or vacates the Facility prior to making the final Program payment, then in addition to all other remedies available to the Company, the Company may declare all of the unpaid balance immediately due and payable, and the Customer shall immediately pay all of the unpaid amount to the Company.

The Customer must provide PSE&G with ninety (90) days advance written notice of a change of ownership, change of billing account information, or if a "customer of record" modification is made to the billing account.

Notice to be sent to:

PSE&G
Attention: Hardley Dupont
80 Park Plaza
M/C T8
Newark, NJ 07102

If the Facility or any portion thereof, including property or any improvements thereupon, or any of Customer's ownership interest in the Facility, direct or otherwise, is sold or transferred during the course of the Project, including during the repayment period, without PSE&G's prior written consent, the full amount of the outstanding balance of the Customer's cost contribution due to PSE&G shall become immediately due and payable. Alternatively, with PSE&G's prior written consent, PSE&G may allow the Customer to transfer the outstanding balance of the Customer's cost contribution to a different billing account.

In the event of (i) a sale or transfer of all or part of the Facility and/or Customer's ownership interest therein, (ii) a lease termination or Customer vacates the Facility, (iii) bankruptcy, insolvency or liquidation of Customer or (iv) forced shut down of Customer's operations and/or the Facility, PSE&G's rights to capture and monitor energy savings shall survive.

Authorized Signature of Customer:

By signing below, the Customer agrees that the address as it appears above is the address where ECMs will be installed and to the applicability of the Terms and Conditions as set forth in this Agreement.

Customer
Signature: _____

Customer Name
(Print): _____

Customer Title: _____

PSE&G
Signature: _____

PSE&G Name
(Print): _____

PSE&G
Title: _____

Customer Date: _____

PSE&G Date: _____

ONCE EXECUTED BY THE COMPANY AND CUSTOMER AND LANDLORD IF REQUIRED, THIS BECOMES A BINDING CONTRACT

Authorized Signature of Landlord (if required):

Landlord Signature required Yes No

I hereby authorize the installation of the ECMs as described in the "Energy Efficiency Upgrade Proposal".

Tenant (Customer)

Name: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Landlord Signature: _____ Date: _____

Company Name (if appropriate): _____

Landlord Name: _____ Landlord Telephone: _____

Landlord Address: _____

City: _____ State: _____ Zip Code: _____



**PSE&G Direct Install Program
for Government, Non-Profit Facilities,
and Small Businesses**

Energy Efficiency Upgrade Proposal

Prepared For:

NEW PROVIDENCE FIRE DEPARTMENT

175 FLORAL AVE

NEW PROVIDENCE, NJ 07974-1567

Phone Number (908) 665-1124

Project Number TBD

Vendor Tracking Number: 1876243

Account Number: 6633664400



NEW PROVIDENCE FIRE DEPARTMENT
 175 FLORAL AVE
 NEW PROVIDENCE, NJ 07974-1567
 Phone Number (908) 665-1124

Estimated Retail Energy Savings

| Electric | Lighting | Non - Lighting | Total |
|------------------------|----------|----------------|----------|
| Existing kW Load | 12 | | 12 |
| Proposed kW Load | 5 | | 5 |
| kW Load Savings | 7 | 0 | 7 |

| Electric | Lighting | Non - Lighting | Total |
|-------------------------|---------------|----------------|---------------|
| Existing kWh Load | 33,678 | | 33,678 |
| Proposed kWh Load | 14,429 | | 14,429 |
| kWh Load Savings | 19,249 | 0 | 19,249 |

| Gas | Lighting | Non - Lighting | Total |
|----------------------|----------|----------------|----------|
| Existing Term Load | - | | 0 |
| Proposed Therm Load | - | | 0 |
| Therm Savings | - | 0 | 0 |

Estimated Retail Energy Cost Savings

| | Lighting | Non - Lighting | Total |
|-------------------------|----------------|----------------|----------------|
| Existing Electric Cost | \$5,052 | \$0 | \$5,052 |
| Proposed Electric Cost | \$2,164 | \$0 | \$2,164 |
| Electric Savings | \$2,887 | \$0 | \$2,887 |

| | Lighting | Non - Lighting | Total |
|--------------------|----------|----------------|------------|
| Existing Gas Cost | - | | \$0 |
| Proposed Gas Cost | - | \$0 | \$0 |
| Gas Savings | - | \$0 | \$0 |

Total Project Cost Breakdown

| | Lighting | Non - Lighting | Total |
|--------------------------------------------------|----------|----------------|-----------------|
| Total Project Cost | \$31,690 | \$0 | \$31,689.77 |
| PSE&G Contribution (70% Installed Cost) | | | -\$22,182.84 |
| Net Project After Rebate | | | \$9,506.93 |
| Monthly Payment (36 months @ 0% Interest) | | | \$264.08 |

Cash Flow Analysis

| | Lighting | Non - Lighting | Total |
|----------------------------------------------------|----------|----------------|-------|
| Total Monthly Savings | \$241 | \$0 | \$241 |
| Customer Monthly Payment (36 months @ 0% Interest) | | | \$264 |
| Monthly Cash Flow (36 months) | | | -\$23 |



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Projected Three Year Monthly Cash Flow

| Month | Customer Payments | Monthly Savings | Cumulative Cash Flow |
|---------------|-------------------|-----------------|----------------------|
| 1 | \$264 | \$241 | -\$23 |
| 2 | \$264 | \$241 | -\$47 |
| 3 | \$264 | \$241 | -\$70 |
| 4 | \$264 | \$241 | -\$94 |
| 5 | \$264 | \$241 | -\$117 |
| 6 | \$264 | \$241 | -\$141 |
| 7 | \$264 | \$241 | -\$164 |
| 8 | \$264 | \$241 | -\$188 |
| 9 | \$264 | \$241 | -\$211 |
| 10 | \$264 | \$241 | -\$235 |
| 11 | \$264 | \$241 | -\$258 |
| 12 | \$264 | \$241 | -\$282 |
| 13 | \$264 | \$241 | -\$305 |
| 14 | \$264 | \$241 | -\$329 |
| 15 | \$264 | \$241 | -\$352 |
| 16 | \$264 | \$241 | -\$375 |
| 17 | \$264 | \$241 | -\$399 |
| 18 | \$264 | \$241 | -\$422 |
| 19 | \$264 | \$241 | -\$446 |
| 20 | \$264 | \$241 | -\$469 |
| 21 | \$264 | \$241 | -\$493 |
| 22 | \$264 | \$241 | -\$516 |
| 23 | \$264 | \$241 | -\$540 |
| 24 | \$264 | \$241 | -\$563 |
| 25 | \$264 | \$241 | -\$587 |
| 26 | \$264 | \$241 | -\$610 |
| 27 | \$264 | \$241 | -\$634 |
| 28 | \$264 | \$241 | -\$657 |
| 29 | \$264 | \$241 | -\$680 |
| 30 | \$264 | \$241 | -\$704 |
| 31 | \$264 | \$241 | -\$727 |
| 32 | \$264 | \$241 | -\$751 |
| 33 | \$264 | \$241 | -\$774 |
| 34 | \$264 | \$241 | -\$798 |
| 35 | \$264 | \$241 | -\$821 |
| 36 | \$264 | \$241 | -\$845 |
| Totals | \$9,507 | \$8,662 | -\$845 |



NEW PROVIDENCE FIRE DEPARTMENT
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Projected Five Year Cash Flow

| Year | Customer Payments | Yearly Savings | Cumulative Cash Flow |
|---------------|-------------------|-----------------|----------------------|
| 1 | \$3,168.98 | \$2,887 | -\$282 |
| 2 | \$3,168.98 | \$2,887 | -\$563 |
| 3 | \$3,168.98 | \$2,887 | \$2,324 |
| 4 | 0 | \$2,887 | \$5,212 |
| 5 | 0 | \$2,887 | \$8,099 |
| Totals | \$9,507 | \$14,437 | \$8,099 |



NEW PROVIDENCE FIRE DEPARTMENT
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Proposal Notes:

The predominant operating hours for this analysis provided by Customer are: 1,092
An electric rate of \$0.15 per kWh was utilized to generate this proposal.
A gas rate of \$0.97 per Therm was utilized to generate this proposal.
This is a turnkey Proposal and includes, but is not limited to, all labor, permits, and material costs.
Project costs do not include New Jersey sales tax. For capital improvement projects, customer must complete and submit a ST-8 form for tax exemption.
Recycling of all lamps is included in the scope of work for this project.
Project installation labor is warranted for a period of one (1) year - see the contract for more information.
New Jersey Clean Energy Program Protocols 2014 were utilized to evaluate this Project Proposal. The estimated energy savings and environmental impacts in this proposal are based on the New Jersey Clean Energy Program Protocols 2014. Among other items, these Protocols utilize predetermined run hours which may be different that the predominant operating hours provided by the Customer. The Company does not guarantee the proposed energy savings measures will, in fact, save any level of energy or result in a lowering of Customer's energy bills. However, based on the represented predominant run hours, it is expected that the actual energy savings will be near the estimates provided in this Project Proposal.
The information provided in this proposal is for informational purposes only and Customer's actual energy savings may vary based on numerous determining factors including but not limited to weather, changes to Customer utility rates, facility use and facility operating hours.



NEW PROVIDENCE FIRE DEPARTMENT
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Environmental Impact Statement

According to the EPA, for each kWh saved, approximately 1.52 pound of Carbon Dioxide (CO2), .0065 pounds of Sulfur Dioxide (SO2), and .0028 pounds of Nitrogen Oxides (NOx) are eliminated from future power plant emissions into our atmosphere annually.

CO2 is a "Greenhouse Gas" while SO2 contributes to acid rain formation and NOx contributes to the atmosphere ozone formation (Smog) and estuarial damage.

The Annual Pollution Reduction Impact of Your Project

| | |
|-----------------------|--------|
| Carbon Dioxide (lbs) | 29,258 |
| Nitrogen Oxides (lbs) | 53 |
| Sulfur Dioxide (lbs) | 125 |

For every 10,000 Kilowatt Hours saved the EPA has estimated the savings to be equivalent to planting 2.9 acres of trees annually or equivalent to removing 1.4 cars from our roads annually.

Your Project's Local Impact

| | |
|------------------------|---|
| Acres of Trees Planted | 5 |
| Cars Removed | 2 |

Energy Savings Calculator How We Derive Your Energy Savings:

$$\frac{\text{Watts Saved} \times \text{Operating Hours}}{1,000 \text{ w per KW}} \times \text{kWh Rate}$$

We save you electric energy (kilowatt-hours) by updating your lighting equipment with advanced, highly efficient technology products that provide more capability while using less electricity.

While your cost per kilowatt-hour is fixed, your operating hours are variable as they are in your control. As long as operating hours are as represented, your electrical savings should be in line with the projected energy savings.

For more information please visit www.epa.gov



| Account: 6633664400 NEW PROVIDENCE FIRE DEPARTMENT | | | | | | | |
|-----------------------------------------------------------|----------------------------------|--------------|-----------------------------------|--------------------------|----------------------------------------|-------------------------------|--------------------|
| Measure Line Item | Area Description/Location | Floor | Exist. Measure | Count of existing | Proposed Measure | Proposed Measure Count | Watts Saved |
| 1 | Exterior Fixtures 1 | 1 | 1L 400 HLGND DBLE END FLOD | 4 | LED 140W Flood Light | 4 | 1,056 |
| 2 | Exterior Fixtures 1 | 1 | 1L 400 HLGND DBLE END FLOD | 1 | LED 140W Flood Light | 1 | 264 |
| 3 | Exterior Fixtures 1 | 1 | 150A 1L DECO | 4 | LED 13W BR-40 | 4 | 552 |
| 4 | Exterior Fixtures 1 | 1 | 1L 60A SURF | 4 | 1L LED 12W A-Lamp | 4 | 192 |
| 5 | Dispatch | 1 | 2x2 2L F17T8 EIS-N TROF ACRY GRID | 3 | LED 25W 2X2 Recessed Troffer Fixture | 3 | 32 |
| 6 | Rest Room | 1 | 1x2 2L F20T12 MAG INDU SURF | 1 | LED 30W 1X2 WRAP FIXTURE | 1 | 21 |
| 7 | Elevator Room | 1 | 1x4 2L F32/30T8 EIS INDU | 1 | 2 Lamp LED 15W Single End Tube Re-Lamp | 1 | 21 |
| 8 | Elevator Room | 1 | 1x4 2L F32/30T8 EIS INDU | 1 | 2 Lamp LED 15W Single End Tube Re-Lamp | 1 | 21 |
| 9 | Garage | 1 | MH175 1L MAG GARA | 25 | LED 98 Industrial Luminaire | 25 | 2,925 |
| 10 | Garage Storage | 1 | 1x4 2L F32/30T8 EIS INDU | 4 | 2 Lamp LED 15W Single End Tube Re-Lamp | 4 | 84 |
| 11 | Generator Room | 1 | 1x4 2L F32/30T8 EIS INDU | 2 | 2 Lamp LED 15W Single End Tube Re-Lamp | 2 | 42 |
| 12 | Stairway1 | 1 | 1x4 2L F32/30T8 EIS INDU | 5 | 2 Lamp LED 15W Single End Tube Re-Lamp | 5 | 105 |
| 13 | Offices | 2 | 2x4 2L F32T8 EIS-N TROF ACRY ROCK | 7 | LED 35W 2X4 Recessed Troffer Fixture | 7 | 175 |
| 14 | Bathroom | 2 | 1x2 2L F20T12 MAG INDU SURF | 1 | LED 30W 1X2 WRAP FIXTURE | 1 | 21 |
| 15 | Bathroom | 2 | 2x2 2L F17T8 EIS-N TROF ACRY GRID | 3 | LED 25W 2X2 Recessed Troffer Fixture | 3 | 32 |
| 16 | Bathroom 2 | 3 | 2x2 2L F17T8 EIS-N TROF ACRY GRID | 3 | LED 25W 2X2 Recessed Troffer Fixture | 3 | 32 |
| 17 | Bathroom B | 3 | 2x2 2L F17T8 EIS-N TROF ACRY GRID | 1 | LED 25W 2X2 Recessed Troffer Fixture | 1 | 11 |
| 18 | Bathroom B | 3 | 2x4 2L F32T8 EIS-N TROF ACRY ROCK | 22 | LED 35W 2X4 Recessed Troffer Fixture | 22 | 550 |
| 19 | Bathroom 2 | 3 | 1x4 2L F32/30T8 EIS INDU | 2 | LED 30W 1X4 WRAP FIXTURE | 2 | 39 |
| 20 | Bathroom 2 | 3 | 2x4 2L F32T8 EIS-N TROF ACRY ROCK | 5 | 2 Lamp LED 15W Single End Tube Re-Lamp | 5 | 145 |
| 21 | Kitchen | 3 | 2x4 2L F32T8 EIS-N TROF ACRY ROCK | 6 | 2 Lamp LED 15W Single End Tube Re-Lamp | 6 | 174 |
| 22 | Stairway2 | 1 | 1x4 2L F32/30T8 EIS INDU | 5 | LED 30W 1X4 WRAP FIXTURE | 5 | 98 |



**PSE&G Direct Install Program for
Government and Non-Profit Facilities
and Small Businesses located in UEZs**

**Customer Contract (Terms & Conditions)
INSTALLATION AND REPAYMENT AGREEMENT**

Contact Name:
Date: 01/25/17
Facility Name: New Providence Fire Dept.
Facility Address: 175 Floral Avenue **PSE&G Account #:** 6633664400
Town, State and Zip Code: New Providence, NJ 07974
TrakSmart ID: **Phone:** 908-665-4003 **Phone #2:** **Audit Date:** ?
Facility Sq. Footage: 4,000 **Auditing Firm:** Fgs - Ray Willer **Auditor:** Gary Bell

This Installation and repayment Agreement is entered into by and between Public Service Electric and Gas Company (the "Company" or "PSE&G") and New Providence Fire Dept. (the "Customer") and Landlord (if the energy conservation measures (ECMs) are to be installed at the Landlord's property), each individually referred to as a "Party" and collectively referred to as the "Parties".

Public Service Electric and Gas Company is offering an energy conservation program (the "Program") to customers in its electric and/or gas service territory ("Customer"), that are government or non-profit entities with annual peak demands equal to or less than 200 kW. The Program is also offered to small business customers with annual peak demands equal to or less than 200 kW, that are located in an Urban Enterprise Zone (UEZ). The Customer is the Company's customer of record, i.e. the PSE&G electric and/or gas account holder. Under the Program, the Company is arranging the installation of certain energy conservation measures ("ECMs") at eligible Customer government/non-profit/small business facilities (the "Facility").

This Direct Install Program for Government/Non-Profit/Small Business Facilities Customer Contract - Installation and Repayment Agreement (the "Agreement") is entered into by and between PSE&G and New Providence Fire Dept. as of 01/25/17.

Customer agrees (a) to have the Company or its designee install the ECMs and (b) to pay a portion of the installation cost as described in Paragraph 6 listed below. The following are Terms and Conditions that govern the Program and the installation of the ECMs:

1. ECMs to be Installed

The Company, (or the Company through its designated Contractor) will install at Customer's facility the ECMs described in Paragraph 6 below. The Company shall permanently disable all lamps replaced pursuant to this Agreement (make them unfit for reuse). The Company shall dispose of all materials including fluorescent ballasts and lamps, old fixtures and HVAC/refrigeration equipment.

2. Installation Date

The Company will use commercially reasonable efforts to install the ECMs within thirty (30) days of Customer signing this Agreement.

3. Warranty and Disclaimers

(a) The Company will provide a one-time replacement free of charge for any equipment that fails to operate according to manufacturer's specifications for a period of one (1) year after the date of the original installation.

(b) Customer may have other warranty rights that may have been provided by the manufacturer of the devices installed under this Agreement. Customer, however, may exercise such rights only against the manufacturer, and not against the Company or its affiliates. The Company shall use commercially reasonable effort to assist the Customer's efforts to enforce the manufacturer warranties.

(c) OTHER THAN THE REPLACEMENT WARRANTY STATED IN SUBPARAGRAPH 3(a) ABOVE, NEITHER THE COMPANY NOR ITS AFFILIATES MAKE ANY WARRANTIES OF ANY KIND, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

(d) THE COMPANY DOES NOT GUARANTEE THAT THE ECMS WILL, IN FACT, SAVE ANY LEVEL OF ENERGY OR RESULT IN A LOWERING OF CUSTOMER'S ENERGY BILLS. The information provided in the "Energy Efficiency Upgrade Proposal" is for informational purposes only and Customer's actual energy savings may vary based on numerous determining factors including but not limited to weather, changes to Customer utility rates, Facility use and Facility operating hours.

(e) Neither the Company nor its affiliates shall be liable to Customer for consequential or incidental damages arising out of the Program, whether in contract, tort (including negligence) or any other theory of recovery.

4. Access to Property

(a) The Customer grants PSE&G and its subcontractor(s) reasonable access to the Facility during normal business hours to perform the installation work at such date and time as the Parties shall mutually agree. If Customer's Facility requires work to be performed during off-business hours, arrangements may be made for off hours installation. In all instances, Customer will be responsible for costs arising from failure to grant access as arranged. These costs will not be included with the ECMs installation costs, savings analysis, or Customer contribution.

(b) In addition, the Customer will allow the Company to make a reasonable number of follow-up visits during the twenty-four months following installation, with advance notice and at a time convenient to the Customer. The purpose of the follow-up visits is to provide the Company with an opportunity to review the operation of the ECMs for program education purposes. During the follow-up visits, the Company may make recommendations to the Customer regarding operation of the ECMs, however Customer is under no obligation to follow any such recommendations. If the Customer implements such recommendations, the Company will not be liable to the Customer in tort (including negligence) for the Customer's reliance on the recommendations.

5. Discretion of Company

When undertaking the installation, the Company (at its sole discretion) may choose not to make the installations specified below for reasons, including but not limited to: issues related to safety, discovery of unforeseen conditions or the complete utilization of Company's program budget.

6. Equipment and Customer Contribution

(a) The Company or its designee will install the equipment listed in the "Energy Efficiency Upgrade Proposal" attached to this Agreement. The estimated cost of the installation including the estimated cost of the Customer's contribution, which shall be 30% of the total project cost, is also itemized in this Agreement. The Customer will pay Customer's cost contribution over a period of thirty six (36) months interest free, through an additional charge on the PSE&G utility bill, or, if the Customer chooses, in one lump sum interest free, through an additional charge on the PSE&G utility bill. If a Customer chooses to pay Customer's cost contribution over a period of thirty six (36) months and Customer occupies the Facility under a lease agreement, and if Customer terminates the lease agreement or vacates the Facility prior to making the final Program payment, in addition to all other remedies available to the Company, the Company may declare all of the unpaid balance immediately due and payable, and the Customer shall immediately pay all of the unpaid amount to the Company.

The total project amount is \$31,689.77

The Customer opts to pay its cost contribution via their PSE&G bill in (check one):

One lump sum payment of \$9,506.93 **OR** Thirty six (36) monthly payments of \$264.08

(b) The Customer shall pay no more than the estimated cost shown on the report. If the actual cost of the installation is less than the estimated cost or if the Company chooses not to install the ECMs in accordance with Section 5, the Company shall adjust the Customer's contribution and advise the Customer. The reduction in contract amount will be confirmed on the "Customer Job Completion Certification Form".

(c) If the actual cost of the installation is more than the estimated cost, subject to PSE&G approval, the Customer Contract will be amended and Customer, PSE&G and Landlord (if required) signatures will be required. The increase in contract amount will be confirmed on the "Change Order and Amendment".

(d) Customer certifies that it has not and will not receive incentives under the New Jersey Clean Energy Program for the same ECMs.

7. CUSTOMER HAS OBTAINED, TO THE EXTENT IT HAS DEEMED NECESSARY OR PRUDENT, LEGAL COUNSEL TO ADVISE IT ON THIS AGREEMENT.

8. Customer agrees that this Agreement constitutes the full, complete, and only agreement between the Parties and supersedes any previous representations or agreements, and this Agreement shall not be amended except in writing signed by duly authorized representatives of both Parties.

9. The NJ BPU requires that PSE&G participate in the PJM Capacity Market* through the demand reductions achieved by the ECMs installed as part of this Program. The Customer acknowledges and agrees that, for purposes of participating in the PJM Capacity Market, PSE&G shall own the rights to all such demand reductions without cost or obligation to the Customer. PSE&G's ownership of the Project's demand reductions does not affect the Customer's ownership of the ECMs nor the energy savings derived from the ECMs.

As required by PJM, PSE&G reserves the right to perform measurement and verification ("M&V") at all participating facilities. PSE&G M&V activities at the Facility may, in PSE&G's sole discretion, include but not be limited to, meter installation, calibration and maintenance of M&V equipment, data gathering and screening, verification of M&V reports and the use of customer energy and cost savings, and billing information. PSE&G will notify the Customer if an ECM installed at the Facility requires M&V, will inform the Customer of the PSE&G M&V activities, and will work with the Customer to minimize any adverse effects on the Customer's normal operations. PSE&G, or its subcontractor, may audit the Facility to verify the operation of all installed ECMs for up to four (4) years following installation to ensure compliance with PJM Capacity Market rules and regulations. The Customer shall cooperate with and support PSE&G's ownership of the demand reductions as set forth in this Section 9.

***PJM Capacity Market**

PJM Interconnection is the regional transmission operator (RTO) that coordinates the movement of wholesale electricity in all or parts of 13 states including New Jersey. PJM operates a competitive wholesale electricity market and manages the high-voltage electricity grid to ensure reliability for more than 61 million people. PJM holds regular capacity auctions to ensure there is sufficient generating capacity available to meet customer needs. Load reductions from ECMs are allowed to participate in these auctions as 'negative' generation. PSE&G is required to offer the demand reductions achieved through PSE&G's energy efficiency programs into the PJM Capacity Auctions. The Customer will own the ECMs installed as part of the Project, as well as recognize the ECM energy and/or cost savings, however they may not offer the demand reductions into the PJM Capacity Market.

10. Customer agrees (A) That the laws of the State of New Jersey shall govern this Agreement and any dispute arising hereunder shall be litigated in a Federal or State Court located in the State of New Jersey, (B) TO WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW THE RIGHT TO A TRIAL BY JURY.

11. **In the event any provision of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, the remaining provisions of this Agreement shall remain in full force and effect to the maximum extent possible.**

12. **This Agreement is neither intended to create, nor shall it be construed as creating, a joint venture, partnership or other form of business association between the Parties, or an agreement to enter into any business relationship.**

13. **Entire Agreement; Counterparts**

This Agreement constitutes the full, complete and only agreement between the Parties hereto with respect to the foregoing and supersedes any previous agreements, representations or undertakings, either oral or written. This Agreement may be executed by the Parties hereto on separate counterparts each of which when executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

14. **Amendments**

This Agreement shall not be amended, modified or otherwise altered, except pursuant to a written agreement signed by the Parties.

15. **Governing Law; Venue**

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of New Jersey.

16. **Limitation of Liability; Limitation of Actions**

In no event will PSE&G or its subcontractors be liable for any losses, damages, cost or expenses however caused, arising from this Agreement. PSE&G's total liability to Customer for all actions, claims, or suits of any kind, whether based upon warranty, contract, tort (including negligence and strict liability) or otherwise, for any losses, damages, costs or expenses of any kind whatsoever arising out of, resulting from, or related to the performance or breach of this Agreement shall, under no circumstances, exceed the cost of the Customer's contribution to the cost of the ECMs. PSE&G shall not, under any circumstances, be liable for any special, indirect, incidental, punitive or consequential losses, damages, costs, or expenses whatsoever (including for lost profits, time or revenue) for anything arising out of the performance or nonperformance of this Agreement, whether claims for said losses or damages are premised on warranty, negligence, strict liability, contract or otherwise. Any action against PSE&G arising out of, resulting from, or related to the performance or breach of this Agreement shall be filed no later than one (1) year after the cause of action has occurred. The provisions of this paragraph 16 shall survive termination or expiration of this Agreement.

17. **Indemnity**

CUSTOMER SHALL DEFEND AND HOLD THE COMPANY HARMLESS FOR ALL NEGLIGENT OR INTENTIONAL ACTS OF THIRD PARTIES. THE PROVISIONS OF THIS PARAGRAPH PROVIDING FOR THE CUSTOMER'S DUTY TO DEFEND, INDEMNIFY, AND HOLD HARMLESS THE COMPANY SHALL ALSO APPLY TO AND PROTECT THE COMPANY'S OFFICERS, AGENTS, SERVANTS, EMPLOYEES, SHAREHOLDERS, SUCCESSORS, AND ASSIGNS. THE CUSTOMER'S OBLIGATION TO DEFEND, INDEMNIFY, AND HOLD HARMLESS THE COMPANY SHALL UNDER THE PROVISIONS OF THIS PARAGRAPH EXCLUDE ONLY AND TO THE EXTENT THAT SUCH INSTANCES ARE DUE TO THE COMPANY'S INTENTIONAL AND DELIBERATE MISCONDUCT OR WHERE THE PERSONAL INJURY, DEATH, OCCUPATIONAL DISEASE OR LOSS OR DAMAGE TO REAL OR PERSONAL PROPERTY WAS DUE TO THE COMPANY'S SOLE NEGLIGENCE.

18. Customer Confidentiality

PSE&G shall consider all information furnished by Customer to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than in connection with the Program without the Customer's prior written consent. The Customer shall consider all information furnished by PSE&G to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than in connection with the Program without PSE&G's prior written consent; provided, however, either Party may disclose such information as may be required to be disclosed by law or court order from a court of competent jurisdiction, and provided further that, unless otherwise prohibited by law, the Party whose information is required to be disclosed is given reasonable time to take legal action to quash such action and seek other protection. The Customer expressly understands and agrees that PSE&G is required to: 1) Report all program data including customer specific information to the NJ regulators on a periodic basis ("Regulatory Reporting"), and 2) Prepare a Program evaluation report (the "Program Evaluation Report") and submit it to the NJ regulators. The Customer expressly further understands and agrees that both the Regulatory Reporting and the Program Evaluation Report may, among other participant and Project information, identify the Program participants by name and Project address, identify the ECMs implemented by each Program participant and the energy and cost savings achieved by each Program participant.

19. Sale or Transfer of Property

If Customer chooses to pay Customer's cost contribution over a period of thirty six (36) months and Customer occupies the Facility under a lease agreement, and if Customer terminates the lease agreement or vacates the Facility prior to making the final Program payment, then in addition to all other remedies available to the Company, the Company may declare all of the unpaid balance immediately due and payable, and the Customer shall immediately pay all of the unpaid amount to the Company.

The Customer must provide PSE&G with ninety (90) days advance written notice of a change of ownership, change of billing account information, or if a "customer of record" modification is made to the billing account.

Notice to be sent to:

PSE&G
Attention: Hardley Dupont
80 Park Plaza
M/C T8
Newark, NJ 07102

If the Facility or any portion thereof, including property or any improvements thereupon, or any of Customer's ownership interest in the Facility, direct or otherwise, is sold or transferred during the course of the Project, including during the repayment period, without PSE&G's prior written consent, the full amount of the outstanding balance of the Customer's cost contribution due to PSE&G shall become immediately due and payable. Alternatively, with PSE&G's prior written consent, PSE&G may allow the Customer to transfer the outstanding balance of the Customer's cost contribution to a different billing account.

In the event of (i) a sale or transfer of all or part of the Facility and/or Customer's ownership interest therein, (ii) a lease termination or Customer vacates the Facility, (iii) bankruptcy, insolvency or liquidation of Customer or (iv) forced shut down of Customer's operations and/or the Facility, PSE&G's rights to capture and monitor energy savings shall survive.

Authorized Signature of Customer:

By signing below, the Customer agrees that the address as it appears above is the address where ECMs will be installed and to the applicability of the Terms and Conditions as set forth in this Agreement.

Customer
Signature: _____

Customer Name
(Print): _____

Customer Title: _____

PSE&G
Signature: _____

PSE&G Name
(Print): _____

PSE&G
Title: _____

Customer Date: _____

PSE&G Date: _____

ONCE EXECUTED BY THE COMPANY AND CUSTOMER AND LANDLORD IF REQUIRED, THIS BECOMES A BINDING CONTRACT

Authorized Signature of Landlord (if required):

Landlord Signature required Yes No

I hereby authorize the installation of the ECMs as described in the "Energy Efficiency Upgrade Proposal".

Tenant (Customer)

Name: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Landlord Signature: _____ Date: _____

Company Name (if appropriate): _____

Landlord Name: _____ Landlord Telephone: _____

Landlord Address: _____

City: _____ State: _____ Zip Code: _____