

Continuous Energy Improvement (CEI) Enrollment Agreement

Ohio Power Company (hereafter “AEP Ohio”) is pleased to offer your company the opportunity to participate in the Continuous Energy Improvement (“CEI”) program. Participants will engage in a continuous improvement process to save energy and implement an ongoing energy management system within their facilities. The benefits and services made available to participants include:

- Energy management training and education for your staff.
- Tools, templates, and other resources to implement strategic energy management.
- Coaching and mentoring at the Executive, Energy Champion, and Energy Team levels.
- Technical assistance to help your staff identify energy use and energy-saving opportunities.
- Quantify and document energy savings.
- Financial incentives for energy savings associated with CEI activities.

AEP Ohio and its agents will provide program administration, coaching, and technical assistance to accomplish all aspects of the CEI Program.

If you wish to participate in the CEI Program, an authorized representative of the participant company must sign and return a complete copy (all pages) of this Enrollment Agreement within 15 days from receipt of this form. See instructions at the end of this document.

By enrolling in the CEI program your company agrees to perform the following activities and abide by the following terms and conditions:

1. **Eligibility.** The number of participants is limited and targeted for industrial and commercial facilities that are AEP Ohio customers. AEP Ohio, in their sole discretion, reserve the right to manage participation according to available space and to meet program energy usage and savings targets.
This program and its incentives are available to AEP Ohio customers who pay into the Energy Efficiency and Peak Demand Response (EE/PDR) rider and receive their electricity over AEP Ohio wires, regardless from which retail electrical supplier the customer has chosen to purchase power.
2. **Program Period.** The CEI program is conducted over a 12-month period. Training and workshop sessions are conducted during this period to assist the Participant to develop and deploy measures leading to energy savings and establishing an effective energy management process. During the final two months, the Participant is responsible for maintaining and expanding their energy saving efforts through the activities described in paragraph 3 below and any other actions that Participant reasonably believes will result in energy savings.
3. **CEI Activities.** The Participant agrees to implement a continuous improvement process for saving and managing energy by:
 - a. Designating and maintaining a member of its Executive Management Team to be the Executive Sponsor to oversee CEI implementation.
 - b. Designating and maintaining an Energy Champion to lead CEI efforts and providing the Energy Champion with resources and oversight reasonably necessary to accomplish the goals described in this document.
 - c. Establishing and maintaining an Energy Team consisting of representatives from various site functional areas.

- d. Establishing and maintaining an energy policy that contains an energy reduction goal and assigns responsibilities to appropriate persons for meeting that goal.
 - e. Conducting a management-level assessment of energy management practices.
 - f. Implementing cost effective energy efficiency activities and projects (defined by the Participant).
 - g. Establishing an energy use baseline and maintaining a tracking system for energy savings.
 - h. Conducting quarterly progress reviews with the Executive Sponsor.
4. **Meeting and Training Session Obligations.** The CEI program will engage the Participants' designated Energy Champion, Executive Sponsor, and energy team members in meetings and peer-to-peer training sessions that will typically occur on a monthly basis during the CEI enrollment period (refer to the workshop schedule). Participant agrees to send at least two staff to each session, and to actively participate in these sessions, including presenting on relevant topics or progress.
5. **Confidentiality.** Participants and AEP Ohio will maintain any information exchanged during training sessions, CEI activities, or CEI related discussions, including names of companies and participants, as confidential.
6. **Access to Energy and Production Data.** Participant agrees to provide, or allow access to, electricity usage data, as well as other company data (i.e., production output, equipment inventory list, etc.) to establish an energy map, determine an energy use baseline, track ongoing energy savings, and create a year-end report to document energy savings. Production and energy-related data will be collected, at least monthly, on an ongoing basis to track savings.
7. **Incentives.** AEP Ohio will pay the Participant an incentive of \$0.02 per kWh/year of eligible electrical savings for 12 months. Eligible savings include those resulting from low or no cost process, maintenance, controls, and behavior changes implemented by the Participant during the CEI program period. Savings not eligible for CEI incentives include, but are not limited to:
- Savings covered under any existing AEP Ohio incentivized program (i.e., capital equipment and new construction projects)
 - Fuel switching (i.e., electric to gas)
 - On-site electrical generation
 - Power factor improvement
 - Peak-shifting
 - Renewable energy

The amount of incentive payment will be based on the CUSUM (cumulative sum) of savings for 12 months following the program Kick Off date.

AEP Ohio reserves the right to cap incentive payments based on budget restrictions. Final determination of eligibility and distribution of incentives rests solely with AEP Ohio.

AEP Ohio reserves the right to decline and/or recover incentive payments that are based on inaccurate or falsified information (i.e., production rates, etc.)

Incentive payments will be issued in the form of direct payments, not utility bill credits.

Incentives are taxable, and if more than \$600 will be reported to the IRS unless the Participant is exempt.

AEP Ohio is not responsible for any taxes that may be imposed as a result of your receipt of incentive payment.

Incentive payment is contingent upon EE/PDR program participation and payment into the EE/PDR Rider. Participant agrees to continue paying into the EE/PDR Rider until the end of the incentive payment term in this agreement.

8. **Program Evaluation.** Participant agrees to provide reasonable access to relevant personnel for interviews and allow the Public Utilities Commission of Ohio (PUCO) and its evaluators to review yearly final reports and supporting documentation of the CEI program.
9. **Working in Good Faith.** Participant agrees to make a good faith effort to fulfill the requirements of participation. Lack of responsiveness on communications, missed attendance at meetings or trainings, last minute cancellations, or other similar actions indicating a lack of organizational commitment may result in a decision by AEP Ohio to terminate enrollment and to withhold incentive payments.
10. **Additional Terms and Conditions.**
 - a. AEP Ohio does not guarantee any energy savings and do not make any warranties associated with the measures eligible for incentives under this program.
 - b. Participant agrees to dedicate to AEP Ohio any and all energy savings and coincident demand generated by Participant's enrollment in the CEI program in order that energy savings and coincident demand can be used by AEP Ohio to count against its S. B. 221 benchmark requirements. Any retained demand provided to PJM generation auctions must be done so by AEP Ohio only.
 - c. AEP Ohio has no obligations regarding, and do not endorse or guarantee any claims, promises, work, or equipment made, performed, or furnished by any individuals, contractors, or equipment vendors that recommend, sell, or install any energy efficiency measures.
 - d. Participant assumes the risk of any loss or damage(s) that Participant may suffer in connection with its participation in the CEI program. Under no circumstances shall AEP Ohio be responsible for any incidental or consequential damages of any kind arising out of participation in the CEI program or this Agreement. Participant shall independently evaluate any information provided by AEP Ohio, or its representatives during the CEI program.
 - e. Participant agrees to be responsible for those damages or losses, which arise directly from the negligent acts or omissions of participant's employees in performance of the agreement, as determined by a court of competent jurisdiction.



- f. Any disputes arising in connection with this Agreement will be governed by Ohio law, without reference to its principles of conflict of law. The exclusive jurisdiction for resolution of such disputes will be Ohio. This Agreement is solely for the benefit of the Participant, AEP Ohio and its representatives and does not grant any other party any rights of any kind.

By signing below, you represent to AEP Ohio that Participant has read, understands, and agrees to the terms and conditions of this Agreement, and that you are duly authorized by Participant to sign this Agreement on its behalf.

ACCEPTED AND AGREED TO ON BEHALF OF PARTICIPANT

Company (Participant) Name:	
Company Address:	
Signature:	Printed Name:
Title:	Date:
Tax Info. <i>Required for tax documents on incentive payments</i>	Tax ID #:

Note: For LLC, Individual, and Partnership companies a W9 must be provided

Return signed contract to:
AEP Ohio
445 Hutchinson Avenue Suite 300
Columbus, OH 43235
-or-
Email: mark.farrell@clearesult.com

Scanned original documents can be used to submit completed enrollment form.