

Consumers Energy Small Business Energy Efficiency Program

Application & Agreement
2022 Program Year

Dear Prospective Trade Ally:

The attached Energy Efficiency Application and Agreement is between DNV, and you, the Trade Ally. The agreement provides the terms and conditions for the Trade Ally to be authorized as a program-approved Trade Ally.

To become a Program-approved Trade Ally of the Small Business Energy Efficiency Program, the following steps must be taken:

- Complete and sign this "Trade Ally Application & Agreement" document
- Be an established contractor with references, required licenses, and W-9
- Attend a program training session of up to four (4) hours for at least one (1) person from Trade Ally's firm and complete on-site training with a Small Business Program Inspector or Energy Advisor within one month of becoming a Program-approved Trade Ally

The submission of this application does not in any way constitute an automatic approval. You may not begin marketing or installing energy efficiency measures until you have been approved.

Applicants shall complete all pages of this form and submit with any required documentation to: ConsumersEnergySmallBusinessSolutions@cmsenergy.com. Please direct any questions or concerns to the Small Business Energy Efficiency Program team at 877-607-0737 or to the email address above. You should receive notification of your status within 14 calendar days after submitting this application and agreement.

Thank you for your interest in the Consumers Energy Small Business Energy Efficiency Program. We look forward to working with you.

Sincerely,

The Consumers Energy Small Business Energy Efficiency Program Team

1. Purpose of Agreement

This Agreement is between DNV Services, Inc., the program administrator of the Consumers Energy Small Business Energy Efficiency Program (hereinafter sometimes referred to as "DNV" or the "Small Business Energy Efficiency Program" or the "Small Business Energy Efficiency Team") and the Trade Ally listed on Page 2 of this Agreement ("Trade Ally"); (together, "the Parties"). This Agreement provides the terms and conditions for Trade Ally to be authorized as a Program-approved Trade Ally. Program-approved Trade Allies will receive incentive payments for qualifying energy efficiency projects directly from DNV. Program-approved Trade Allies will market, sell, install and provide warranties for eligible customers for these projects. This Agreement is effective when fully executed by both Parties.

2. Program Overview

The Consumers Energy Small Business Energy Efficiency Program, funded by customers of Consumers Energy Company (hereinafter referred to as "Consumers Energy" and is a third-party beneficiary of this Agreement as provided for in section 36 herein) and approved by the Michigan Public Service Commission, is designed to maximize the implementation of comprehensive, cost-effective, energy efficient measures to eligible customers in the Consumers Energy service territory. The program has set high incentive levels that are capable of driving this market. (See Table 1 below for incentive levels). This translates into short payback periods and low measure installation costs for customers. Trade Allies also benefit from these higher incentive levels because the program effectively sells itself, allowing Trade Allies to minimize marketing efforts and focus on working directly with participating customers.

Incentives for the installation of approved measures are paid directly to Trade Allies. The program works closely with Trade Allies to provide customers with on-site facility assessments and financial incentives for refrigeration measures, lighting upgrades, and lighting control upgrades.

Table 1 - Small Business Energy Efficiency Program Incentives

Measure Type	Measure Name	Incentive (\$/unit)* *Capped at cost*
Electric	Exterior Lighting	\$0.17 /kWh
Electric	Interior Lighting	\$0.17/kWh
Electric	LED Screw-in	\$0.10/kWh
Electric	Other Electric (Custom)	\$0.15/kWh
Electric	Lighting - Occupancy Sensors	\$0.20/connected watt
Electric	Anti-sweat heater controls	\$105.00/door
Electric	ECM Case Motor	\$170.00/door
Electric	ECM Walk-in Cooler and Freezer Motor	\$275.00/motor
Electric	LED Lighting for Refrigeration Cases	\$14.00/nominal foot
Electric	Evaporator Fan Motor Controls on ECM motors	\$75.00/unit
Electric	Occupancy Sensors for LED Refrigerator	\$25.00/door
Electric	Strip Curtains (40 Degrees)	\$12.00/square foot
Electric	Strip Curtains (0 Degrees)	\$30.00/square foot
Electric	Wireless GREM Material Only (EO)	\$150.00/room
Combo	Wireless GREM Material Only (EG)	\$150.00/room

3. Eligibility

In order to receive an incentive, facilities must be served by Consumers Energy. Projects must result in an improvement in energy efficiency. The Small Business Energy Efficiency Program is available to all Consumers Energy business customers with annual energy use at or below 750,000 kilowatt-hours (kWh), based on the previous 12 months of billing history. Equipment must meet the specifications as explained in the Small Business Energy Efficiency Program Policies and Procedures manual. The business customer may be required to refund some or all of the incentive if the measures do not remain (or were not) installed for a period of five (5) years or the end of the product life, whichever is less.

4. Program Dates

The 2022 Small Business Energy Efficiency Program will be open for eligible customers starting January 1, 2022. Available funds for this program are limited, and it is possible that all funds will be committed before the end date. All projects must be installed and the Project Completion Form, which indicates that the work is complete, submitted on or before December 31, 2022 to be eligible for 2022 incentives.

5. Responsibilities

As the program administrator, DNV's responsibilities in the Small Business Energy Efficiency Program include, but are not limited to:

- a) Program design and administration,
- b) Program marketing,
- c) Development and administration of the proposal generation software,
- d) Approval of all project proposals,
- e) Conducting both pre- and post-installation inspections, and
- f) Payment of incentive to Program-approved Trade Allies.

The Small Business Energy Efficiency Program-approved Trade Ally's responsibilities in the Small Business Energy Efficiency Program include, but are not limited to:

- a) Active, accurate and timely participation in the program,
- b) Attending required training,
- c) Verbally explain to customer scope of retrofit work, customer co-pay requirements,
- d) Customer marketing, sales and project development,
- e) Use of the proposal generation software to create, expedite and streamline projects,
- f) Submit approved project proposals signed by participating businesses
- g) Material procurement and installation. All equipment must meet the standard requirements and specifications in the Small Business Energy Efficiency Program Policies and Procedures manual,
- h) Hazardous waste removal and disposal, removal and disposal of equipment and materials retrofitted or replaced as part of the project, even if the customer requests to keep it,
- i) Providing and honoring required warranties,
- j) Resolving customer complaints or failed inspection items within 14 calendar days,
- k) Submitting required forms and documentation (including but not limited to material invoices and specification sheets),
- l) Obtaining appropriate permits in accordance with state and local laws and
- m) Collection of residual payment from the participating business.

6. Required Licenses and W-9

Trade Ally warrants and represents that it is a licensed contractor in Michigan, as appropriate for services performed. Trade Ally must also have current licenses to perform the specific services they will provide as required by the state of Michigan and applicable local ordinances. Trade Ally agrees to notify the Small Business Energy Efficiency Program team of any changes to license(s) that would affect work performed under this program. Trade Ally must provide a W-9 with the Tax-ID assigned to the business name on application.

7. Permit Requirements

Trade Ally agrees to obtain the appropriate permits for any electrical work unless the total cost of the work is less than \$100 in accordance with the requirements of the state of Michigan. For more information regarding permit requirements visit www.michigan.gov/lara. DNV reserves the right to request any copies of such permits at its sole discretion.

8. Program Warranties

Trade Ally will honor the following warranties for work performed in the Small Business Energy Efficiency Program:

Two (2) years labor and manufacturer's warranty on equipment installed as follows:

- 1 year - Refrigeration measures
- 1 year - Occupancy sensors and photocells
- 1 year - HVAC controls
- 3 years - Guest Room Energy Management
- 5 years - Electronic ballasts
- 5 years - LEDs and induction
- 10 years - Reflectors

9. Hazardous Waste Materials

All materials removed must be permanently taken out of service and disposed of in accordance with local codes and ordinances. Trade Ally shall assume full responsibility for the correct disposal of all ballast, fluorescent tubes, and other hazardous waste material in compliance with the laws and regulations of the state of Michigan and the prevailing local jurisdiction. Trade Ally is responsible for being aware of any applicable codes or ordinances. Information about hazardous waste disposal requirements for the State of Michigan can be found at <http://www.michigan.gov/deq/>. Trade Ally shall provide the Small Business Energy Efficiency Program Team with full documentation of all hazardous waste material disposals upon request.

10. Authorized Work

The Trade Ally is only authorized to perform the work as described on the project Participation Agreement (PA) and/or Change Order (CO), whichever is most current. It is the Trade Ally's responsibility to ensure that the CO is consistent with the PA signed by the participating business and to confirm any changes that may have resulted from the pre-inspection. The PA and/or the CO obligate the Small Business Energy Efficiency Program to pay the incentive to the Trade Ally, provided that the work has been completed in accordance with the PA and/or CO and the terms of this Agreement. The PA obligates the participating business to pay the Trade Ally for the residual amount of the project costs not covered by the incentive, as

noted on the payment notification form.

11. Proprietary or Confidential Information or Data

During performing services in this program, the Parties may gain knowledge of information or data of a proprietary or confidential nature belonging to Consumers Energy, DNV, or the customers served by the Small Business Energy Efficiency Program. All Parties acknowledge and agree to neither divulge nor disclose any such information to any third party (or parties) without the express written consent of DNV, Consumers Energy, and the Trade Ally, nor to allow such information to be divulged or disclosed.

The Trade Ally agrees to strictly adhere to the Product Use Guidelines outlined in the Preferred Trade Ally Marketing Kit. Trade Ally agrees to not use the names, identifying characteristics, logo, service mark or trademark of Consumers Energy, DNV and/or the Small Business Energy Efficiency Program for published project reports, advertising, sales promotion or other publicity outside of the terms outlined in the Business energy Efficiency Programs Preferred Trade Ally Marketing Kit.

12. Program Rules

The Small Business Energy Efficiency Program will establish and enforce program rules such as, but not limited to, minimum equipment standards, installation standards, disclosure requirements and documentation requirements. A copy of these written rules (Program Policies and Procedures) will be given to each program approved Trade Ally and are available for download on the Trade Ally portal at Cetradeally.com. All rules must be followed in order to receive incentive payments. The Small Business Energy Efficiency Program reserves the right to modify these rules as necessary. Program rules in place at the time that Trade Ally signs a Participation Agreement and/or Change Order, whichever is more current, will apply to that specific project.

13. Program Training

The Trade Ally agrees to participate in a program training session of up to four hours for at least one person from the Trade Ally's firm. This person must be the individual that will be developing, approving, and signing the project Participation Agreements. The Trade Ally must then abide by the specified implementation requirements while performing work on a project. On-site training is helpful for new Program-approved Trade Allies, as they become comfortable with the correct manner in which to perform site assessments. The Trade Ally agrees to complete on-site training with a Small Business Energy Efficiency Program inspector or energy advisor within one month of being approved. This training will involve accompanying the Trade Ally to a minimum of one customer site to demonstrate how a proper assessment is performed and translated into a project application. This training will help to minimize discrepancies between the Project Application and the inspector's findings, thus moving the project along in the process more quickly.

14. Inspections

The Small Business Energy Efficiency Program reserves the right to inspect all projects to verify compliance with the program rules and verify the accuracy of project documentation. This may include pre-installation and/or post-installation inspections, detailed lighting layout descriptions, metering, data collection, and interviews. All lighting projects are expected to comply with the Illuminating Engineering Society of North America (IESNA) recommended lighting levels and/or the local code(s).

15. Termination of this Agreement

DNV may terminate this Agreement at any time upon written notification to the Trade Ally. The Trade Ally

may be allowed to complete projects previously begun, provided the Trade Ally is in possession of a signed Participation Agreement and/or a Change Order. The Trade Ally will be paid an incentive for work completed as long as applicable Program rules are followed.

16. Professional Standards

Trade Ally shall perform its services with care, skill and diligence in accordance with the applicable professional standards currently recognized by such profession, and shall be responsible for the professional quality, technical accuracy, completeness and coordination of all reports, designs, plans, information, specifications, and other items and services furnished under this Agreement.

17. Laws, Ordinances, Codes and Regulations

The Trade Ally shall comply with all applicable federal, state, and municipal laws, ordinances, codes, acts, statutes, rules order and regulations in performing services.

18. Safety and Work Practices

The Trade Ally shall ensure that all work is performed in compliance with reasonable safety and work practices and applicable federal, state, and local laws, rules and regulations, including but not limited to Occupational Safety and Health Standards promulgated by the U.S. Secretary of Labor and the Michigan Occupational Safety and Health Administration.

19. Incentive Payment

Payment of incentives is strictly subject to completion and verification of work in accordance with the Small Business Energy Efficiency Program rules and the Participation Agreement and/or the Change Order, whichever is most current. The Small Business Energy Efficiency Program Team may conduct a post inspection of all completed projects. If the Small Business Energy Efficiency Program Team finds sufficient discrepancies between the work performed and the Participation Agreement or Change Order, the Trade Ally will have 14 calendar days from the time of notification to correct the discrepancy in a manner acceptable to the Small Business Energy Efficiency Program Team. DNV reserves the right to disapprove and reduce the incentive payment if the program rules are not followed or if work completed by the Trade Ally is materially different than what was contained on the Participation Agreement and/or the Change Order, whichever is most current.

20. Liability

The Trade Ally shall defend, indemnify and hold DNV and Consumers Energy, its officers and directors, and employees harmless from and against any and all claims, demands, causes of action, suits and other litigation and related damages, losses and expenses, violation of any laws, or failure to maintain any licenses or permits, including but not limited to attorney's fees arising out of or resulting from the services performed or failed to be performed by the Trade Ally or anyone for whose acts the Trade Ally may be liable.

The Trade Ally shall reimburse DNV and/or Consumers Energy for all expenses, including but not limited to attorney's fees, paid or otherwise incurred to in interest, of and from any and all debts, demands, actions, causes of action, suits, accounts, and covenants to enforce the provisions of this paragraph if either Trade Ally's or Trade Ally's insurer refuses to so defend, indemnify or hold DNV and/or Consumers Energy harmless as provided above. The Trade Ally hereby unconditionally and irrevocably releases and forever discharges, to the fullest extent permitted by applicable law, DNV and Consumers Energy, its officers,

directors, employees, agents, representatives, assigns, affiliates, parents, subsidiaries, and successors, contracts, agreements, damages, and any and all claims, demands, and liabilities arising in relation to this Agreement or the work of the Trade Ally hereunder.

21. No Guarantee

Neither DNV nor Consumers Energy has any obligation regarding and does not endorse or guarantee any claims, promises, work, or equipment made, performed, or furnished by any Trade Allies or equipment vendors that sell or install any energy efficiency measures.

22. Customer Co-payment

The Trade Ally shall disclose in writing to participating businesses any co-pay obligations. The Trade Ally is solely responsible for collecting payments that are not covered by the Small Business Energy Efficiency Program from the participating business. The Small Business Energy Efficiency Program has no obligation to compensate the Trade Ally for nonpayment by the participating business. The Trade Ally has the right not to perform the installation if the Trade Ally has concerns about the creditworthiness of the participating business.

The Trade Ally and the participating business may also establish their own mutually agreeable payment terms if the standard payment terms of the program (full payment upon completion of work) are not satisfactory. The Trade Ally may waive the customer co-pay. The Trade ally shall advise the customer that the co-pay exists on all Small Business Energy Efficiency Program forms, and that the Trade Ally is waiving this fee, if applicable.

In no case, may the Trade Ally charge the customer a co-payment that is more than the amount noted on the Payment Notification Form. Under no circumstances should a customer's co-payment be collected until the work is complete, has been verified, and DNV has approved the payment amount to be paid to the Trade Ally.

23. Energy Assessments

The Trade Ally shall perform no-cost energy assessments at participating customer facilities. This assessment does not in any way obligate the customer to participate in this or any other Consumers Energy program. At the conclusion of this assessment, the Trade Ally shall thoroughly explain to the customer the changes needed to make the customer's premises more energy efficient. In addition, the Trade Ally shall explain all phases of work that will be completed on the customer's premises.

24. Project Forms and Tracking

DNV has developed the proposal generation software, a web-based tool for Trade Allies to use to develop proposals, print project forms, and track projects. Trade Allies are required to use the proposal generation software to create, expedite and streamline their projects. Trade Allies who do not use the proposal generation software may not participate in the program.

25. Standardized Pricing

Standardized pricing of program measures will be used and will expedite the approval process. Standardized pricing does not have to be used to participate in the program; however, each project that does not use standardized pricing will be reviewed by the Small Business Energy Efficiency Program team prior to the issuing of a Participation Agreement. The proposal generation software will incorporate

automatically the applicable standardized prices for each Participation Agreement.

26. Trade Ally Payment

When the installation has been verified as completed according to the steps outlined in this Agreement, the Trade Ally will be paid the incentive directly by the Small Business Energy Efficiency Program. The Customer is responsible for paying the Trade Ally their portion of the project cost as stated in the Participation Agreement. Incentives are taxable and, if greater than \$600, will be reported to the IRS unless the Trade Ally's business is exempt or a corporation. The Small Business Energy Efficiency Program will report the Trade Ally incentive(s) as income to the Trade Ally on IRS Form 1099 unless the Trade Ally has indicated Corporation or exempt tax status on the Trade Ally Information portion of this Agreement. Trade Ally must provide the Small Business Energy Efficiency Program with its tax identification number (usually FEIN) on the Trade Ally information portion of this Agreement. Neither Consumers Energy nor DNV are responsible for any taxes that may be imposed on the Trade Ally's business as a result of the Trade Ally's receipt of incentives.

27. Independent Trade Ally

The Contracting Company is not a contractor, sub-contractor, or agent of DNV or Consumers Energy. The Trade Ally shall at all times be deemed to be an independent contractor. Nothing contained in this Agreement shall be construed as creating the relation of employer and employee, agent or joint venture among or between the Trade Ally and DNV and/or Consumers Energy.

28. Assignment

The Trade Ally shall not assign, transfer or otherwise delegate this Agreement or any interest, or right or claim there under, nor subcontract any portion of the work to be performed, without the prior written consent of DNV subject to approval of Consumers Energy. For the avoidance of doubt, subcontracting includes hiring "contract employees," day or seasonal laborers who do not receive W-2 wages from the Trade Ally. We also require a list of all third-party sales team persons employed by the Trade Ally, to verify relationship, when they call with specific Trade Ally proposal questions.

29. Damages

The Trade Ally assumes responsibility for all damages to property and injury to persons (including death) for all claims arising under or in connection with this Agreement, including responsibility for the actions or omissions of its employees, contractors, subcontractors, and agents and for the claims of third parties resulting from such negligence.

30. Equitable Relief

The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, it is agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

31. Entire Agreement

This Agreement and all project Participation Agreements and/or Change Orders issued contain the entire Agreement between the parties with respect to the matters covered. This Agreement cannot be modified except in writing signed by both Parties.

32. Severability

If any term or provision of this Agreement shall be found by a court of competent jurisdiction to be illegal or otherwise unenforceable, that finding shall not invalidate the whole of this Agreement, but only such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the Parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreement of the parties set forth.

33. Waiver

The failure of any party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right to insist upon strict adherence to that term or any other term of this Agreement. To be in force and enforceable, any waiver must be in writing and must be signed by both Parties.

34. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, exclusive of its conflict of law rules.

35. Third Party Beneficiary

It is the intent of both Parties hereto that Consumers Energy Company (sometimes referred to herein as "Consumers Energy") is the beneficiary of certain rights herein and are enforceable, including but not limited to Section 5, 8, 12, and 21, or any indemnification rights set forth in this Agreement.

36. Contact Information

Program or specific project inquiries should be directed to the Small Business Energy Efficiency Program as follows:

Phone: 1-877-607-0737

Fax: 1-877-607-0738

Email: ConsumersEnergySmallBusinessSolutions@cmsenergy.com

Trade Ally Application and Agreement

Company Name:																							
Primary Contact Name:		Title:																					
Primary Contact Phone:	Email:	Fax:																					
Secondary Contact Name:		Title:																					
Secondary Contact Phone:	Email:	Fax:																					
Company Address:																							
Address for Payments if Different:																							
Company Federal Tax ID (must provide W9):																							
Corporation:	Partnership:	Limited Liability Company (LLC):																					
Individual/Sole Proprietor:	Tax Exempt:	Other:																					
Years in Business:		Full-Time Employees in Michigan:																					
<p>Check all the services your firm provides:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Install Refrigeration Measures <input type="checkbox"/> Install Lighting Measures <input type="checkbox"/> Other _____ </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Install Lighting Controls <input type="checkbox"/> Install HVAC Controls </td> </tr> </table>				<input type="checkbox"/> Install Refrigeration Measures <input type="checkbox"/> Install Lighting Measures <input type="checkbox"/> Other _____	<input type="checkbox"/> Install Lighting Controls <input type="checkbox"/> Install HVAC Controls																		
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<p>List all applicable licenses below and submit a photocopy of each license/card to the Small Business Energy Efficiency Program team, with this application. See Item 5, page 4 for information regarding required license(s).</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </table>																							
<p>Number of energy efficiency projects your firm has installed over the last four years:</p> <p>2018: _____</p> <p>2019: _____</p> <p>2020: _____</p> <p>2021: _____</p>																							

Please submit a letter of reference from three (3) customers for energy efficiency projects completed within the past three years. The references must be on business letterhead and included with your application. The Small Business Energy Efficiency Program reserves the right to contact each reference during the approval process. Please provide the contact information for each written reference in the reference section below.

Reference #1	Reference #2	Reference #3
Type of work performed	Type of work performed	Type of work performed
Contact Name	Contact Name	Contact Name
Business Name	Business Name	Business Name
Street	Street	Street
City State	City State	City State
ZIP	ZIP	ZIP
Phone	Phone	Phone
Email Address	Email Address	Email Address

Do you agree to offer the warranties for services and equipment related to the Small Business Energy Efficiency Program as outlined on page 6?

Yes No

Do you agree to abide by the laws and regulations of the state of Michigan and the prevailing local jurisdiction as they relate to the disposal of hazardous waste materials related to the Small Business Energy Efficiency Program as outlined on page 6?

Yes No

I agree to abide by the terms and conditions of the Small Business Energy Efficiency Program as outlined in this Agreement. I have read and understand the program requirements, measure specifications and program guidelines set forth in this the Small Business Energy Efficiency Program Policies and Procedures Manual and agree to abide by those requirements. I certify that the information on this Application is true and accurate.

Trade Ally	DNV
Signature	Signature
Name (print)	Name (print)
Title	Title
Date	Date