RESIDENTIAL ENERGY EFFICIENCY PROGRAM
Conservation Participation Agreement

THIS IS AN AGREEMENT by and between Public Utility District No. 1 of Benton County "District" and the Owner(s) of the residential housing unit(s) located at:

<table>
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<tr>
<th>CUSTOMER NAME:</th>
<th>STREET ADDRESS:</th>
<th>CITY:</th>
<th>STATE:</th>
<th>ZIP CODE:</th>
</tr>
</thead>
</table>

TERMS:

Abbreviation of Terms: For purposes of simplifying this Agreement, the following abbreviated terms and definitions are used:

"Conservation Measures" means the conservation measures and equipment which are approved under the Incentive Plan of the District.
"Incentive" means a financial incentive. A cash amount paid by the District toward the job cost and is generally paid on behalf of the owner to the Installer.
"Contractor" means a business registered as a contractor with the State of Washington which has an existing Residential Energy Efficiency Program Energy Efficiency Installer Agreement, which includes requirements for liability insurance and performance bond, with the District.

PROVISIONS:

1. **Owner's representations.** The owner represents that: (a) residence described above is an existing residential housing unit located within the District's service area; (b) owner of the residence is named at the conclusion of this Agreement; and (c) Owner has the right and authority to make improvements to the residence and to subject the residence to a mortgage lien or security interest.

2. **Contract between Owner and Contractor.** The contract for the installation of Measures is with the Contractor, and the Owner is solely obligated to pay the Contractor. The District is not liable or responsible if the amount of the proceeds which the owner obtains from an incentive is not sufficient to satisfy the Owner's obligation to the Contractor. The District has no contractual obligation, nor duty of any kind, to pay the Contractor. The Contractor is not to be considered as a third party beneficiary of any commitment by the District to make an incentive to an Owner, for such commitment is for the benefit of the Owner, not for the benefit of the Contractor.

3. **Use of Incentive.** The Owner agrees the described residence has electric space heat or heat pump. That the incentive obtained from the District shall be used only for conservation purposes in the described residence and shall not be used for any purpose which results in a conversion from one energy source to another. The owner understands the District will not provide an incentive for any building which does not have the required electric space heat or heat pump.
4. Incentive Payment

   a. Customer Authorization to Pay Incentive: The Owner hereby authorizes the District to disburse incentive proceeds to the Contractor.

   b. Incentive Payment to Customer: Contractor will request the incentive payment from the District by submitting to the District a copy of the customers invoice, owners Conservation Participation Agreement, warranty for labor and materials and all other required program documents.

5. Access to Residential Units. The Owner will: (a) provide the Contractor with access to the residential unit(s); (b) allow District representative access to the residential units(s) for inspection of the conservation measures installed. The District, at its discretion, may inspect the work performed by the Contractor and if it does so will advise both the Owner and the Contractor if, in the District's opinion, the Contractor's performance meets the specifications and requirements of the Programs. Any inspections made by the District will be solely to determine whether the installation of measures has been made in a manner which qualifies for the incentive proceeds; and, the District's approval or certification does not in any manner constitute a representation or warranty regarding the habitability of the residential unit(s), construction methods used, adequacy of materials utilized, safety, or any matters other than compliance with the requirements of the Programs. District inspections are not intended to establish or imply any duty on the part of the District to discover or report any defects related to code violations or hazards of any nature in the Residential Units(s) in which the Measures are installed.

6. Enforcement of Contract by Contractor. The Contractor has the right to enforce its contract with the Owner, because the Owner is the only party obligated to pay and otherwise perform that contract. In doing so, the Contractor may foreclose its statutory lien upon the residential unit(s) and, in addition, sue the Owner for damages, specific performance, or any other remedy authorized by law.

7. Governing Law- Venue- Service of Process. The validity, construction, performance and application of this Agreement shall be governed by the laws of the State of Washington. Venue of any litigation shall be in Benton County, Washington. For purposes of: (a) establishing jurisdiction over the person in any proceeding; or (b) giving any notice, each person signing this Agreement as an Owner or Partner or spouse of an Owner or Partner appoints any of the other persons signing this Agreement as an agent upon who service of process can be made or to who notice may be given.

8. Entire Agreement. The terms, covenants and conditions of this Agreement by the Owner constitute the entire agreement contract between the parties, and no understandings or obligations which are not expressly set forth therein shall be binding upon them. No modification, amendment or alteration of this Agreement shall be valid unless it is in writing and signed by the parties.

Signed below by the Owner(s) on this date for acceptance of the BID proposed:

<table>
<thead>
<tr>
<th>Owner's Signature</th>
<th>Date</th>
<th>Total Cost: __________________________</th>
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<tbody>
<tr>
<td>Owner's E-mail Address</td>
<td>Per attached bid document</td>
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