

## **California Building Energy Initiative Program Memorandum of Understanding**

This Memorandum of Understanding (MOU) is between Architectural Energy Corporation (**AEC**), with offices at 2540 Frontier Avenue, Suite 201, Boulder Colorado; and [name of participant] (**Customer**) with offices at [address, city], California. AEC is conducting a program under contract to Southern California Edison (**SCE**) known as the California Building Energy Initiative (**Program**), and Customer wishes to participate in the Program. AEC is working as an independent organization. SCE is not a party to this MOU or to the activities that will be performed for Customer.

Customer represents that they own or are responsible for energy and equipment maintenance decisions at the property located at [address, city], California also known as [name of building] (**Property**), and have the authority to enter into this MOU and make financial commitments on behalf of the Property owner(s). Customer has read and agrees to the Terms and Conditions for participating in the Program, which are attached to this MOU and made part hereof.

AEC's participation in the Program is provided at no cost to the Customer.

The Program is divided into two phases. The activities that will be conducted in the first phase and the responsibilities of AEC and the Customer are as follows:

1. Expression of Interest – By signing this MOU, the Customer expresses their interest in participating in the Program. The Customer grants AEC permission to contact key people in their organization or at the Property to ascertain information about the systems in the building, their operation, known problems, and energy consumption, including utility bills.
2. Qualify Building(s) – AEC's responsibility to SCE is to cost-effectively reduce energy consumption in Customer's facilities. Some buildings may not present cost-effective conservation opportunities. AEC will use the information provided in step 1 above to evaluate the opportunities at the Property, and qualify buildings to participate in the Program. Some of the factors used in qualifying the buildings include age, use, type of systems, and potential for energy savings. This decision is made at the sole discretion of AEC. If the Property does not qualify, then this MOU will terminate and neither AEC nor Customer will have any further obligations to the other.
3. Conduct Audit and Measurements – AEC will audit the systems at the Property, perform checks of functional performance, and perform short-term monitoring using portable data logging equipment. The customer, at their expense, will provide technicians or other personnel skilled in mechanical, electrical, and controls to assist AEC in this process.
4. Perform Analysis and Prepare Recommendations Report – AEC will analyze the data and other information collected at the Property and prepare a report with recommendations for improving the energy efficiency of the systems. The expected annual energy reduction and cost savings for each recommendation will be presented in the report.

5. Estimate Costs of Repairs – The costs to perform maintenance and improvements will depend on whether the Customer has in-house staff to conduct these activities, whether they use an independent contractor, or whether they will bid the work. The Customer will be responsible for providing an estimate(s) of the costs to make the recommended improvements. AEC will support the Customer in this activity by providing information about the recommended improvements to in-house staff and contractors.
6. Meet to Review Engineering and Cost Data – AEC and Customer will meet to review the engineering and cost data, and to select the list of improvements that is mutually agreeable to AEC and Customer. If a mutually agreeable list of improvements can not be developed, then this MOU will terminate and neither AEC nor Customer will have any further obligations to the other.
7. Prepare Proposal and Implementation Agreement – Upon successful completion of the previous step, AEC will prepare a proposal and agreement for the implementation phase of the project. It will include a statement of work, provisions for the Customer’s staff to attend a training session, and the amount of incentive money, if any, AEC will pay Customer to implement the improvements. If the Implementation Agreement is not acceptable to Customer, then this MOU will terminate and neither AEC nor Customer will have any further obligations to the other.

The activities that will be conducted in the second phase of the Program and the responsibilities of the parties will be defined in the Implementation Agreement.

This MOU is agreed to and executed upon signature by both parties and encompasses the full scope of the agreement. It shall remain in effect unless otherwise mutually consented to by Customer and AEC for the period starting on August xx, 2001 and ending on [month and day], 2001.

**For Architectural Energy Corporation**

By

\_\_\_\_\_  
Signature

Donald J. Frey  
Individual's Name

Executive Vice President  
Title

\_\_\_\_\_  
Date

**For Customer**

By

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Individual's Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

### **Terms and Conditions for Participation in the California Building Energy Initiative**

The terms and conditions are listed below for Customer to participate in a project to retrocommission selected components of the heating, ventilating, and air conditioning (HVAC) systems located at the Property. The services that AEC or its subcontractor organizations will provide are defined in this MOU. The responsibilities and commitments of the Customer are also defined. AEC and Customer acknowledge and agree as follows.

- 1<sup>st</sup>. The focus of the Project is on selected components of the HVAC system. This is not a comprehensive retrocommissioning project of all building systems.
- 2<sup>nd</sup>. The "Project Team" consists of AEC, CTG Energetics, Inc. of Irvine, California (CTG), RLW Analytics, Inc. of Sonoma, California (RLW), and other subcontractors and consultants necessary for the Project Team to conduct the Project.
- 3<sup>rd</sup>. The Customer shall have the following responsibilities, the cost of which shall be borne by the Customer.
  1. The Customer will provide the services of a qualified technician or technicians licensed in mechanical and electrical systems to assist the Project Team with the functional tests of the HVAC equipment, and with the installation and removal of the data acquisition equipment. The services to be provided include manual control of the HVAC system components, and installation and removal of current transducers and other sensors.
  2. The Customer shall provide an estimate of the cost to make the improvements and changes identified by the Project Team. This information will be used to calculate the payback periods described in the Recommendations Report.
  3. Time is of the essence in obtaining cost estimates. The Customer shall use its best efforts to quickly obtain them.
- 4<sup>th</sup>. Customer agrees to exercise reasonable care to prevent the loss of or damage to AEC's equipment installed on the premises.
- 5<sup>th</sup>. All monitoring equipment shall be removed from the described premises no later than the last day of this Agreement unless other written terms are prescribed under mutual consent of Customer and AEC.
- 6<sup>th</sup>. AEC shall have the right to display, publish, translate, reproduce, deliver, perform, use and dispose of in any manner, any and all data collected from the Property. All data shall be made available to Customer by AEC at no cost.
- 7<sup>th</sup>. AEC personnel, its agents, subcontractors, or consultants shall have the right of access to the Property for the purpose of installing, removing, operating, and maintaining the monitoring equipment. Access shall be during reasonable hours of the day and at other times as mutually agreed upon, for the full period of this agreement. AEC shall identify its designated personnel and representatives with a need to enter the Property and shall use its best efforts to minimize interference and disruption with Customer's use of the Facility.
- 8<sup>th</sup>. Any data which may result from this building monitoring are not necessarily comparable with any other data or analysis performed by others on the premises.
- 9<sup>th</sup>. This Agreement supercedes any prior agreements, written or oral, and fulfills any obligations under those agreements and shall be interpreted under the laws of the State of Colorado.