

Evergy Business Energy Savings Program – MEEIA Cycle III Terms & Conditions

General Terms and Conditions

1. Program Effective Dates

Evergy Business Energy Savings Program (“Program”), including Standard, Custom, Retro-Commissioning (RCx), and New Construction energy efficiency incentives, may be offered until approved funds are exhausted or through December 31, 2022, whichever comes first. Program incentives and measures are subject to change or termination without notice at the sole discretion of Evergy. The effective dates of the Program and application submittal requirements are as follows: Invoices showing purchase of installed energy efficiency measures (EEMs) must be made on or after February 3, 2020 to be eligible. Any energy-efficient equipment or services purchased or installed, contracted for, or work conducted prior to February 3, 2020, are not eligible for incentives. All Program projects must be installed within the project timeframe, fully operational, and all final documentation must be submitted to the Program by December 31, 2022, unless otherwise specified.

Evergy may change any Program requirements, incentives, or Terms & Conditions at any time without notice, including suspending acceptance of applications or terminating any project. Evergy is not obligated to approve any application in excess of its Program budget. In the event of a Program change, approved applications will be processed to completion under the Terms & Conditions in effect as of the pre-installation approval date. Applications which do not require pre-approval will be subject to Program rules in effect on the date of the application's submittal.

2. Program and Project Eligibility

By participating in the Program, the Customer agrees that Evergy obtains and/or retains ownership of all rights to existing and future emissions credits, renewable energy rights to existing and future emissions credits, renewable energy green tags, tradable renewable certificates and/or any and all other environmental benefits associated with the installation of the eligible equipment.

All current Evergy Missouri Metro and Evergy Missouri West (“Evergy”) service territories are eligible to participate in the Business Energy Savings Program (“Program”) pursuant to incentive-specific eligibility. Customers that do not pay the DSIM rider on their bill or have previously opted out of the program are not eligible for incentives. Evergy commercial rate classes are eligible for program offerings except for opt-out/self-directed customers. Customers whose rate schedule are SGS, MGS, LGS, LPS, SGA, MGA, LGA, or TPP are eligible for the Evergy Missouri Metro incentives. Customers whose rate schedule are GS, SGS, LGS or LPS are eligible for the Evergy Missouri West incentives.

EEMs that reduce electrical energy use by increased use of an alternate fuel (i.e., fuel switching) are not eligible for incentives. Technologies purporting to reduce electricity usage through a reduction of voltage or power conditioning are not eligible for incentives. All equipment eligible for an incentive must be new equipment and installed by licensed contractors when required by code and/or law.

Evergy acknowledges that the Customer may select any Trade Ally or contractor to perform the work outlined in this application, even after the application is submitted for pre-approval by Evergy. However,

the Customer acknowledges that Evergy has the right to prohibit specific Trade Allies or contractors from program participation. Additionally, all work performed by the selected Trade Ally is not the responsibility of Evergy or the Program Administrator.

3. Incentive Payment Thresholds

Incentive amounts are capped by the final project costs approved by the Program review process, and according to the appropriate incentive rate. The Program allows for a maximum incentive of \$1,000,000 per Customer (based on tax ID), per year, per jurisdiction, capped at \$250,000 per project. Participants that exceed the \$250,000 per project threshold will be eligible for a reduced rate incentive.

Evergy expects to pay the incentive within eight weeks after all of the following conditions are met: (1) construction/renovation of Customer's facility is completed; (2) Customer has received an occupancy permit; (3) Evergy has received all required documentation; and (4) Evergy has verified installation costs and satisfactory installation of the EEMs, all in accordance with the specifications.

4. Application Review Process

The Program reserves the right to request additional supporting documentation, if necessary, to ensure measure eligibility and verify existing system performance and baseline conditions. Applications must be complete before project evaluation can occur. Applications are reviewed in the order in which they are received. Customer-provided documentation included with the application is the basis for determining potential electric savings, measure eligibility and estimated incentive. Incentive funds are reserved only for pre-approved projects which have had a signed Offer form returned to the Program Administrator. The applicant will be informed of any deficiencies resulting in Customer, project, or measure ineligibility, and will be given the opportunity to correct deficiencies, if appropriate. The applicant may be required to provide Evergy with a copy of the specifications, drawings, or plans which are available to or from a contractor and pertain to the EEMs that are included in the project application.

Evergy will only approve those site-specific Program measures that are believed to have cost-effective energy savings and/or demand reduction potential. In any case, Evergy reserves the right in its sole discretion to approve or deny any such measures proposed.

Contractor labor costs can be considered in project costs. Evergy reserves the right at any time to require invoices from the contractor to determine the price paid by the contractor (including any discounts or incentives) for the EEMs. Evergy reserves the right to use the contractor's reasonable costs in order to determine the correct incentive amount. Evergy may request any other reasonable documentation or verification of the cost to the Customer of purchasing the EEMs. The Customer agrees, as a condition of participation in the Program, to remove and dispose of the equipment being replaced by the energy savings measures and in accordance with all laws, rules and regulations. The Customer agrees not to reinstall any of this equipment in the service territory of Evergy or its affiliates. Evergy reserves the right to schedule follow-up visit(s) as necessary to a Customer's facility during the 24 months following the completion date noted on the application. Such visit(s) will be at a time convenient to the Customer, made with advance notice given to the Customer by Evergy. The purpose of the follow-up visit(s) is to provide Evergy with an opportunity to review the operation of

the EEMs for program evaluation purposes. The follow-up visit(s) will have no impact on the incentive paid to the Customer for installing the EEMs.

All measures must be installed and operational prior to submittal of a final application All measures must be installed in a property owned by the applicant, or the applicant has received permission from the property owner to install the equipment.

5. Application Submittal

In order to be eligible for an incentive, the final application and all required documentation for pre-approval projects must be received within 90 days of project completion or by December 31, 2022, whichever comes first. If not received by the Program, the project will be subject to cancellation unless granted written permission for an exception. Examples of required documentation include but are not limited to: dated invoices/receipts for the purchase and installation of equipment, product specification sheets, proof that the equipment is operational, manufacturer specifications, warranty information and IRS form W-9.

The billed address or Customer name on invoices must match applicant information. The project invoice should provide sufficient detail to separate the project cost from the cost of other services such as repairs and building code compliance. The Program reserves the right to request additional supporting documentation as deemed necessary, both prior to approval and after installation is completed, to ensure measure eligibility and verify that the expected energy savings will occur. All Customer information will be held in confidence. Non-proprietary information shall include, but is not limited to, vendor pricing not normally disclosed to customers, proprietary trade information, any information which may be gathered during a site inspection or that is specified on a document which is labeled 'Proprietary'.

6. Inspections

Evergy is not bound to pay any incentives until it has performed a satisfactory pre-and post-installation equipment verification unless Evergy has waived such verification requirement explicitly. Up to 25% of all projects will be subject to random inspections conducted by the Evergy team. These inspections are in addition to the on-site post inspections that may be completed as part of the project completion. These site visits can happen at any time up to 36 months after project completion. If Evergy determines that the EEMs were not installed in a manner that is consistent with the purpose of achieving electric energy savings, or if the installation was not consistent with generally accepted good engineering practices, Evergy may require changes before making any payments. Evergy will not pay incentives until it has been verified that the Customer has received, as appropriate, final drawings, operation and maintenance manuals, and operator training.

Any Customer receiving a Program incentive may be contacted by a third-party evaluator to verify service/equipment installation or be asked to complete a participant survey. As a part of this process, program participants and Trade Allies agree to participate in required on-site verification and survey activities.

Customers must provide all documentation necessary to establish final, total project costs including, but not limited to, detailed copies of invoices (including all material, labor and discounts) required for the

installation of EEMs. The invoices shall include a breakdown of all measure costs for installation under this Agreement.

7. Miscellaneous

Evergy may wish to publicize the Customer's participation in the Program, the amount of incentives paid to the Customer, and any other information that relates to the Customer's participation. In such instances, Evergy will secure a release from the Customer authorizing to make non-proprietary information public. The benefits conferred upon the Customer or Trade Ally through participation in this program may be taxable by the federal, state, and local government. The Customer is responsible for declaring and paying all such taxes.

Evergy's liability under this Agreement will be limited to paying the incentives specified in this Agreement. Evergy and any of its affiliates shall not be liable to the Customer for any consequential or incidental damages or for any damages in tort (including negligence) caused by any activities associated with this Agreement or in the Program. The Customer shall protect, indemnify, and hold harmless Evergy from and against all liabilities, losses, claims, damages, judgments, penalties, causes of action, costs and expenses (including, without limitation, attorney's fees and expenses) imposed upon or incurred by or assessed against Evergy resulting from, arising out of, or relating to the performance of this Agreement.

The Customer acknowledges that neither Evergy nor any of its consultants are responsible for ensuring that the design, engineering and construction of the facility or installation of the EEMs is proper or complies with any particular laws (including patent laws), codes, or industry standards. Evergy does not make any representations of any kind regarding the results to be achieved by the EEMs or the adequacy or safety of such measures. This Agreement is composed of the application and these Terms and Conditions. It is the entire agreement between the parties and supersedes all other communications and representations. Paragraph headings are for the convenience of the parties only and are not to be construed as part of this Agreement. If any provision of these Terms and Conditions is deemed invalid by any court or administrative body having jurisdiction, such ruling shall not invalidate any other provision, and the remaining Terms and Conditions shall remain in full force and effect.

8. Disclaimer

The Program makes no representation or warranty, and assumes no liability with respect to quality, safety, performance, or other aspect of any design, system or appliance installed pursuant to the application, and expressly disclaims any such representation, warranty or liability. Participation in the Program implies that the applicant and/or Customer of Evergy agrees to indemnify Evergy, the Program and its affiliates, subcontractors and employees against all loss, damage, expense, fees, costs and liability arising from any measures installed. The Program does not guarantee the energy savings approved through the Program and you may not make any warranties associated with the measures eligible for incentives under this Program. The Program neither endorses any contractor or equipment vendor nor guarantees any claims promised, work or equipment completed, performed or furnished by any contractors or equipment vendors that sell or install EEMs.

The Missouri Public Service Commission (“Commission”) may alter its rules and regulations and /or change rates in the future. If this occurs, Customer energy efficiency investments are subject to those changes and the Customer will be responsible for paying any future increases to electricity rates, charges or service fees from Evergy. Evergy’s electricity rates, charges and service fees are determined by the Commission and are subject to change based upon the decision of the Commission. These future adjustments may positively or negatively impact any potential savings or the value of a Customer’s energy efficiency investment. Any future electricity rate projections which may be presented are not produced, analyzed or approved by Evergy or the Commission. They are based on projections formulated by external third parties affiliated with Evergy or the Commission.

Customer electricity rates, charges and service fees are subject to change. Future rate adjustments may positively or negatively impact financial savings projected from your energy efficiency investment. Evergy makes no guarantees regarding energy savings based on future electricity rate projections, including those formulated by third parties. Customers who install energy-efficient lighting measures are expected to replace any of the efficient lighting that becomes defective or fails with lights of similar or superior efficiency at the Customer’s expense.

Evergy is under no obligation to: (1) make follow-up visits; (2) review the operation of the EEMs; or (3) make any suggestions of any kind to the Customer. The scope of review by Evergy of the EEMs is limited solely to determining whether program conditions have been met. It does not include any kind of safety review.

Program-Specific Terms and Conditions

9. Incentives

Subject to these Terms and Conditions, Evergy will pay incentives to eligible Customers (“Customer”) for the installation of energy efficiency measures (EEMs) identified as such in program materials issued by Evergy and other site-specific Custom measures that are approved by Evergy. Funds are limited and applications are processed on a first-come, first-served basis. Once an incentive amount is pre-approved, Evergy reserves the right to pay no more than the cost to the Customer of purchasing the EEMs, or the pre-approved incentive amount, whichever is less. Evergy is not obligated to approve any application for an incentive that may result in Evergy exceeding its Program budget.

The total incentive paid cannot exceed 100% total cost for Standard incentives, and 75% total cost and 100% incremental cost for Custom incentives. Standard incentives will be capped at 100% of total measure costs unless otherwise specified. Custom incentives will be capped at 75% of total measure costs and 100% of incremental costs unless otherwise specified. All Custom measures submitted on a project must pass the benefit cost test to be eligible for incentives. Additionally, all Custom measures submitted on a project must have a simple payback (before applying the incentive) of 18 months or greater. Custom incentives levels are determined based on technology end use but are no lower than \$0.04/kWh reduced annually and no higher than \$0.45/kWh reduced annually.

New Construction incentives are based on the estimated energy savings after completion and verification of the project. New Construction incentives will be capped at: 50% total costs for Interior Lighting Incentives; 100% incremental costs for Custom & Standard Incentives; \$50,000 per site per program year for Whole Building Performance Incentives.

RCx incentives are based on approved energy savings associated with project measures, as well as a study reimbursement based on proven energy savings and study cost with a project simple payback of 18 months or less. RCx study and measures will be capped at 100% of total cost. Custom measures submitted within the RCx Program with simple payback greater than 18 months will follow Custom guidelines. Incentive amounts are subject to change.

Before pre-approving any incentive amount requested by the Customer, Evergy reserves the right to adjust and/or negotiate the incentive amount. Evergy reserves the right to lower the incentive amount if the quantity and/or cost of EEMs installed by the Customer differ from the measures listed in the submitted application. Notwithstanding any other provision of these Terms and Conditions, Evergy reserves the right to seek a refund for some or all of the incentives paid for an EEM if that measure was not installed or does not remain installed for a period of five (5) years or until the end of the product life, whichever is less. Evergy reserves the right to withhold an incentive payment or issue the incentive in the form of a bill credit for Customers in arrears.

All lighting measures are recommended to be DesignLights Consortium®, ENERGY STAR® or Consortium for Energy EfficiencySM certified at the time of purchase. In addition, prior to including a technology in the Program, Evergy reserves the right to require that the Customer undertake, at the Customer's own expense, further testing of such technology by Underwriters Laboratories (UL) or, with the written consent of Evergy, an equivalent independent testing laboratory. The purpose of the testing is to evaluate the technology's energy performance levels.

10. Customer Eligibility

All projects that contain at least one Custom measure and any project with an anticipated incentive amount greater than \$10,000 must be submitted for pre-approval prior to equipment purchase or installation. All projects less than or equal to \$10,000 that contain only Standard Incentives must have an application and final documentation submitted within 90 days of project installation. New Construction projects require a pre-application to be submitted during the design phase and RCx project requires a pre-application to be submitted before the study has been performed and equipment has been purchased or installed.

New Construction project eligibility includes: new buildings wherein no structure or site footprint presently exists; addition of an existing building site footprint; gut rehab for a change of purpose to an existing building requiring replacement of all electrical systems/equipment; and "warm shell" projects, where building envelope, central mechanical system, and core lighting systems are included in the design but future build-out work or tenant improvement are permitted separately.

RCx project eligibility includes: significantly higher than average energy usage intensity (EUI) or conditioned area over 100,000 square feet, building over 2 years old, or 2 years since the last building retrofit, and an existing energy management system (EMS). An approved RCx Service Provider must complete an energy study to identify and describe recommended measures and submit a final report describing the implemented measures. The simple payback for the project, based on all measures, must be less than or equal to 18 months to be eligible for an RCx incentive. Measures creating a simple payback greater than 18 months may still be eligible for our Custom incentives. Projects over 500,000kWh are required a minimum of 14 days of continuous, typical day equipment-level post-monitoring prior to completion documentation submission. For more details, refer to the Retro-

commissioning Guidelines brochure. Each approved RCx project will have 6 months, from the date of offer signing, to complete the project, but may not exceed November 30, 2022.

11. Inspections

The Program reserves the right to inspect projects to verify compliance with the Program rules and the accuracy of submitted project documentation. The Program aims to pre- and post-inspect a percentage (up to 100%) of all Standard, Custom, and RCx projects. At the discretion of the Evergy team, an appropriately detailed and illustrated study may serve as a pre-inspection for RCx projects. New Construction projects will require a post-inspection, regardless of incentive amount. The Customer must allow access to the facility where the measures were installed at reasonable times and for a period of five years after receipt of incentive.

12. Energy Savings Analysis

In addition to completing an application, the Customer may be required by Evergy to provide an analysis of the demand and energy reduction potential of the proposed Custom EEMs. In some cases, the analysis must be prepared by a professional engineer licensed in the state where the facility is located. Failure to submit this information in the time requested may result in a denial of the project. Evergy may independently review the Customer's application and analysis to determine the energy savings and demand reduction potential. Evergy reserves the right to reject or modify any calculations, based on Evergy's own analysis.

Evergy will have final determination whether a project is eligible for incentives based on each Program's eligibility guidelines and project specifics.

13. Project Costs

Evergy will recognize installation costs only to the extent that they are reasonable and incurred by the Customer. For failed or end-of-life equipment, the incremental measure cost is defined as the cost to purchase and install the energy-efficient equipment minus the cost to purchase and install similar equipment that would meet federal and local energy standards (but not qualify for an incentive under this program). For retrofit measures, the incremental measure cost is the total cost to purchase and install the qualifying measures.

14. Reserving Funds

After an application is approved by Evergy, the Customer will receive written notification of the pre-approved incentive amount and the date that the EEMs must be fully installed to qualify for an incentive payment. Any EEMs installed prior to the issuance of Evergy's written authorization of pre-approval will be deemed as an unauthorized installation and Evergy will have no obligation to pay incentives for those EEMs. Regardless of pre-approval from Evergy, projects may be denied, or incentives reduced upon receipt of final project cost and scope of work documentation.

The pre-installation Offer form sent to the Customer will contain documentation acknowledging Customer's acceptance of the approved incentive which must be signed and returned to Evergy within thirty (30) days of its receipt. If the Customer fails to return the Offer form before the deadline, then

Evergy may deny all or a portion of Customer's incentive payment without further liability of any kind. Evergy reserves the right to adjust and/or negotiate the incentive amount based on its independent assessment of appropriate savings, cost estimates, or if the quantity and/or cost of measures installed by the Customer differ from the measures listed in the submitted application.

15. Contractor Shared Savings Arrangements

If Custom EEMs are being installed by a contractor under a "shared savings" contract, Evergy reserves the right to determine the cost of purchasing and installing the EEMs based on the reasonable retail costs in purchasing the equipment and installing the EEMs.