

**FirstEnergy**  
**Residential Energy Efficient HVAC Program**  
**Participating Contractor Agreement**  
**Valid October 28, 2009 through May 31, 2013**

**Introduction:**

This Agreement outlines the responsibilities and requirements of contractors who wish to participate in the Residential Energy Efficiency HVAC Program, hereinafter referred to as “the program”, offered by FirstEnergy in their service territory served by its Pennsylvania operating companies (Met-Ed, Penelec and Penn Power). Except where otherwise noted in this document, “FE PA Utilities” and or the “Utility” refers to the FirstEnergy Pennsylvania operating companies of Met-Ed, Penelec and Penn Power. The term “participating contractor” refers to the contractor specifically bound as a signatory to this Agreement. The “implementing contractor” refers to Honeywell Utility Solutions.

Residential electric customers in FE PA Utilities’ service territory may be eligible to receive incentives for the purchase and installation of new, high-efficiency heating, ventilation, and central air conditioning equipment and for maintenance tune-ups of central air conditioning equipment. Participating contractors throughout the service territory served by the FE PA Utilities will be able to market these incentives to their customers by signing this Agreement and by maintaining good standing in the program.

This Agreement supersedes any previous Agreement with respect to the subject matter hereof, is completely voluntary and can be terminated at any time and for any reason by the participating contractor or by the Utility.

**Benefits to Participating Contractors:**

FE PA Utilities and the implementing contractor will provide the following support to participating contractors:

- The ability to market incentives for the installation of specific high-efficiency electric equipment and for maintenance tune-ups as per individual program incentive forms,
- Access to program marketing materials such as program branding materials, program literature, incentive forms, listing on program website, advertising campaigns, etc.,
- Administrative training on program requirements and participation requirements,
- Easy access to program support resources, and
- Email updates on program information and changes.

**Participation Requirements:**

Individual terms and conditions will apply for FE PA Utilities’ program as per each program incentive form. Participating contractors agree to the terms and conditions on those forms, and acknowledge and agree that they participate in the FE PA Utilities’ Residential Energy Efficient HVAC program at the sole discretion of the Utility and the implementing contractor and are subject to removal from the program and discontinuation of eligibility to promote the program to FE PA Utilities’ customers if they fail to comply with the terms and spirit of this Agreement or if FE PA Utilities or the implementing contractor in its discretion shall elect to terminate this Agreement with the participating contractor. In the event a participating contractor is removed from the program, they shall immediately cease promoting their participation in the program and shall return (at their own expense) any marketing material provided by the program. A removed

participating contractor shall not be eligible for consideration to be reinstated for twelve calendar months from the date of notification of removal. A removed participating contractor shall have a one-time option to appeal the removal decision in writing to the implementing contractor. All decisions of the Utility and the implementing contractor shall be final and binding.

The following guidelines apply:

- Participating contractors shall maintain any and all relevant licenses as required by federal, state, county, or municipal government for work in the trades that it undertakes supporting its participation in this program.
- Participating contractors shall maintain general liability insurance coverage of at least \$1 million.
- Participating contractors shall maintain effective procedures for quality control, resolution of customer complaints or disputes, and response to customer emergencies.
- Participating contractors shall properly represent the relationship between the participating contractor, the Utility and the implementing contractor. The participating contractor and its employees shall not represent themselves as employees and/or agents of, or certified by the Utility or the implementing contractor.
- The participating contractor acknowledges and agrees that participation in the program is in no way to be construed as an endorsement by the Utility or the implementing contractor of the participating contractor's work.
- The participating contractor is acting as an independent contractor under this program, and has the sole right and obligation to supervise, manage, contract, direct, procure, perform or cause to be performed all work to be provided to customers that may be eligible for program incentives.

### **Post-Installation Work Verification:**

FE PA Utilities, the program implementer or an evaluation contractor may conduct random field inspections on work performed under this Agreement in order to verify work performed and assess the quality standards sought by this program. If an inspection by the Utility, the implementing contractor or any other entity authorized by the Utility determines that actual field conditions do not corroborate conditions indicated on a participating contractor's and/or customer's application, he/she may become ineligible for an incentive. A participating contractor's failure to meet minimum program standards and correct deficiencies may lead to the participating contractor being removed from the program and rendering the participating contractor and their customers ineligible to receive future incentives under the program.

### **Indemnification and Limitation of Liability:**

In no event shall the Utility or the implementing contractor have any liability for claims of any kind, whether based on contract, tort (including negligence and strict liability), or otherwise, for any loss or damage sustained or incurred by any third party relating to this Agreement or the performance of services or participation by the participating contractor in the Residential Energy Efficient HVAC program. The participating contractor hereby releases and discharges the Utility and the implementing contractor from all liability for such claims. The participating contractor shall, to the fullest extent permitted by law, assume all liability for and agree to indemnify, defend (at Utility's option) and hold harmless the Utility and the implementing contractor and their respective affiliates, officers, directors, agents, servants, employees and representatives from and against any and all liabilities, losses, claims, damages, suit charges, costs, expenses (including attorney's fees and costs) demands and causes of actions of every kind or character

arising or alleged to have arisen out of any claims (just or unjust) for damages for personal injury including death to any employee or person, for damage or injury to property and from any and all resulting damages, expenses, costs and fees, arising out of or in any way occurring incident to the performance of the Agreement and/or the acts or omissions of the participating contractor, its employees and/or subcontractors. Additionally, the participating contractor agrees to assume all liabilities or attorney's fees and other costs incurred by the Utility arising out of the Utility's efforts to enforce the provisions of this section. Where used in this section, the term "participating contractor" shall also include any subcontractor or any person, firm or entity directly or indirectly employed by or under contract with either participating contractor, subcontractor, or supplier to contractor.

The indemnification obligations of the participating contractor provided for herein shall apply irrespective of any partial or contributed negligence or alleged partial or contributed negligence of the Utility and or implementing contractor, except to the extent, if any, that the provisions of the Pennsylvania General Obligations Law requires otherwise. The participating contractor shall nevertheless remain liable hereunder on account of the negligence of a party other than the Utility and/or implementing contractor whether or not the Utility is partially negligent.

The indemnification obligations of the participating contractor provided for herein shall in all events survive performance of the other obligations of the participating contractor under the Agreement and shall survive termination of the Agreement for any reason.

**Tax Liability:**

Incentives may be taxable as gross income to parties receiving incentives. The Utility or implementing contractor is not responsible for any taxes that may be imposed as a result of receiving incentives through this program.

**Trademarks and other Intellectual Property:**

- A. FE PA Utilities reserves all ownership rights in the FE PA Utilities' Trademarks (as defined below). Except as expressly provided in this Agreement, FE PA Utilities does not transfer or license any trademark or other intellectual property rights to participating contractor.
- B. FE PA Utilities authorizes the participating contractor to use FE PA Utilities' Trademarks and other intellectual property solely for the purposes contemplated by this Agreement. The participating contractor shall not register, apply to register, or claim any rights to any trademark that contains FE PA Utilities' program materials.
- C. Upon expiration or termination of this Agreement, participating contractor agrees to immediately cease the use of and shall not thereafter use FE PA Utilities' Trademarks.
- D. For purposes of this Agreement, FE PA Utilities' Trademarks shall include program marketing materials that are now or hereafter owned, claimed, adopted, acquired, or used by FE PA Utilities.

**FirstEnergy Residential Energy Efficient HVAC Program**

Participating Contractor Company Name:		
Address:		
City:	State:	Zip:
Primary Contact:		
Office Phone:	Mobile Phone:	
E-mail:		
Website:		

**Services Provided:**

- HVAC Installs (Central Air Conditioning and Heat Pump Systems) and Tune-Ups  
 Geothermal Systems

**Certifications (Not a program requirement):**

- Is your company BPI Accredited?     Yes     No  
Is your company NATE Certified?     Yes     No

**Agreed to by:**

_____	Honeywell Utility Solutions
Participating Contractor Name Representative	Implementing Contractor - FirstEnergy PA Residential Energy Efficient HVAC Program
_____	_____
Name	Name
_____	_____
Signature	Signature
_____	_____
Date	Date

**Please email, mail, or fax this form to:**

Honeywell - HUS  
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York, Pennsylvania 17403  
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clay.reider@honeywell.com