

## Demand Response Sales and Services Agreement

This Demand Response Sales and Services Agreement (this "Agreement"), effective as of \_\_\_\_\_ ("Effective Date"), the scope of which is described more fully below, is made by and between EnerNOC, Inc. ("EnerNOC"), located at 101 Federal St., Suite 1100, Boston, MA 02110 USA, and Big Walnut Local School District ("Customer"), located at P.O. Box 218, Galena, OH 43021. EnerNOC and Customer are defined herein as the Parties ("Parties") to this Agreement.

1. **Term.** This Agreement shall commence on the Effective Date and end on 5/31/2018 (the "Term").

### 2. EnerNOC Managed Services

- a. **Scope of Services.** EnerNOC agrees to manage Customer's participation in the demand response program(s), as further described in Attachment(s) A-1 attached hereto (each individually the "Program" and collectively, the "Programs"), in accordance with the rules set forth by the applicable independent system/grid operator and/or utility, which are subject to amendment by the applicable independent system/grid operator and/or utility from time to time. EnerNOC will (i) work with Customer to develop an appropriate curtailment plan for Customer's business; (ii) complete all necessary permits and associated reporting on Customer's behalf; (iii) register Customer's Accepted Capacity (as defined in Attachment(s) A-1); (iv) manage Customer's curtailable electrical capacity in the Programs and, upon notification by EnerNOC and acceptance by Customer, provide real-time support to Customer during demand response events ("Demand Response Events") via, at Customer's sole discretion, direct load control or manual implementation by Customer, as applicable; and (v) reconcile all Program payments in accordance with the rules set forth by the applicable independent system/grid operator and/or utility and as further described in Attachment(s) A-1. In addition, as necessary, EnerNOC will coordinate with Customer's host utility to capture kilowatt-hour (kWh) pulses from the Customer's primary utility meter to provide Customer near real-time, Internet-enabled power monitoring.
- b. **EnerNOC System.** EnerNOC, as it deems necessary and at its sole option, may equip one or more of Customer facility address (each a "Site Address") as identified on Attachment(s) A-2 hereto with the EnerNOC system, which includes an EnerNOC Site Server ("ESS") that can, at Customer's sole discretion, enable remote generator start/stop, and/or direct load management, power metering, data collection, near real-time data communication, and Internet-based reporting and analytics. Subsequent to the date hereof, Attachment(s) A-2 may be updated in writing from time to time by the Parties to reflect additional Site Addresses.

### 3. Customer Support Requirements

- a. **ESS Installation.** Within fourteen (14) days of execution by Customer of this Agreement, Customer shall provide EnerNOC with reasonable access to install a cellular connectivity device that allows for Internet-based communication of Site Address' electricity consumption and Demand Response Event performance. If cellular connectivity is not feasible, Customer shall provide either a static or non-static, as applicable, Internet Protocol (IP) address and Local Area Network (LAN) access that allows for Internet-based communication of Site Address' energy consumption and Demand Response Event performance where necessary.
- b. **Acceptance Testing.** Customer agrees to collaborate with EnerNOC in testing the ESS at each Site Address where the ESS is installed in a timely manner prior to registering with the Program(s).
- c. **Event Performance.** Customer agrees to use commercially reasonable efforts to generate and/or reduce electrical demand to achieve Accepted Capacity as defined in Attachment(s) A-1 at each Site Address when notified by EnerNOC during Demand Response Events. Customer and EnerNOC understand that the curtailable electrical capacity identified in Attachment(s) A-2 does not represent Accepted Capacity and is solely the Parties' best estimate of performance and that Accepted Capacity may vary.
- d. **Nondisclosure to Third Parties.** Customer and EnerNOC acknowledge that in its relationship with the other Party, it may receive information including (but without limitation): confidential information, business strategies, financial information, information relating to the ESS and the EnerNOC System, and information contained in this Agreement, including the terms of the revenue sharing arrangement described in Attachment(s) A-1 (all collectively "Confidential information"). Except as required by applicable law or regulation or as expressly set forth in Subsection 3(f) hereof, neither Party shall disclose any Confidential Information to any third party or allow any third party access to such Confidential Information.
- e. **Trade Secret Protection Obligations.** Customer shall not alter, reverse engineer, disassemble, decompile or copy the ESS or any other EnerNOC System components and shall not allow any third party to use, access, or examine the ESS or any other EnerNOC System components.
- f. **Use of Confidential Information.** Notwithstanding anything contained herein to the contrary, Customer acknowledges that EnerNOC may receive Confidential Information of Customer through data collected by the ESS and the EnerNOC System, which may be disclosed by EnerNOC to (i) as necessary for the performance of this Agreement or the Program (ii) as required by applicable law or regulation.
- g. **Service Provider Limitation.** Customer agrees not to contract with any other demand response service provider for the Term of this Agreement for the Site Addresses listed on Attachment(s) A-2.
- h. **Logo Authorization.** In connection with this Agreement, Customer hereby consents to EnerNOC's use of Customer's name and logo in EnerNOC's promotional materials, including, but not limited to, website, presentations and other printed materials. EnerNOC acknowledges that Customer is the owner of all right, title and interest in and to the Customer's name and logo and



shall not take any action that is inconsistent with such ownership. EnerNOC shall not, by any act or omission, use Customer's name or logo in any manner that tarnishes, degrades, disparages or reflects adversely on Customer or its business or reputation.

4. General Terms

- a. Limitation on Liability. EnerNOC's liability hereunder is limited to direct actual damages as the sole and exclusive remedy, and total damages shall not exceed the lesser of (i) the total amount paid to Customer under this Agreement during the six-month period immediately preceding the event giving rise to the claim(s) or (ii) \$100,000. All other remedies or damages (at law, in equity, tort, contract, or otherwise) are expressly waived, including any indirect, punitive, special, consequential, or incidental damages, lost profit, or other business interruption damages.
b. Choice of Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to choice of law rules.
c. Miscellaneous. Customer may not assign any of its rights or delegate any of its performance obligations hereunder without the prior written consent of EnerNOC. This Agreement contains the entire agreement between Customer and EnerNOC and may only be amended in writing signed by each of the Parties. If any of its provisions shall be held invalid or unenforceable, this Agreement shall be construed as if not containing those provisions and the rights and obligations of the Parties hereto shall be construed and enforced accordingly. This Agreement shall be binding upon the Parties together with their successors and assigns.
d. Force Majeure. The Parties shall be excused for any failure or delay in the performance of their obligations hereunder due to acts of God or any other legitimate cause beyond their reasonable control.
e. Termination. Either Party may terminate this Agreement immediately if the Program(s) is materially altered, suspended or ended. Notwithstanding the foregoing, in the event that capacity is not available in the Program for a given Program Period (as defined in Attachment(s) A-1), EnerNOC may reduce Customer's Accepted Capacity to zero and/or terminate this Agreement.
f. Notices. Any notices required or permitted to be given hereunder by either Party to the other shall be given in writing: (1) by personal delivery; (2) by electronic facsimile with confirmation sent by United States first class registered or certified mail, postage prepaid, return receipt requested; (3) by bonded courier or by a nationally recognized overnight delivery company; or (4) by United States first class registered or certified mail, postage prepaid, return receipt requested, in each case, addressed to the Parties as follows (or to such other addresses as the Parties may request in writing by notice given pursuant to this Section): EnerNOC, Inc., Attn: Deputy General Counsel, 101 Federal Street, Suite 1100, Boston, MA 02110; and to the Customer at Big Walnut Local School District, at P.O. Box 218, Galena, OH 43021.
g. Insurance. EnerNOC shall maintain

Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$2,000,000 aggregate
Automobile Liability Insurance with limits of \$1,000,000 per occurrence combined single limit
Workers' Compensation and Employers' Liability Insurance with limits of not less than \$500,000

All insurance carriers must have an AM Best rating of A-VIII or better. Upon request of Customer, Customer shall be listed as a certificate holder and additional insured on the Commercial General Liability policy. Customer shall be notified in writing at least thirty (30) days prior to cancellation of any insurance policy.

EnerNOC, Inc.

Big Walnut Local School District

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

**Attachment A-1  
Emergency Load Response Program**

1. **Program Description.** PJM Interconnection’s (PJM) Emergency Load Response Program (ELRP) enables program participants to receive revenue for being available to reduce electricity consumption when the reliability of the electric grid is in jeopardy and voltage reductions and rolling brownouts are imminent.
2. **Program Rules.** The terms of this Agreement will reflect ELRP program terms and conditions which may be amended from time to time by PJM, the current terms of which are summarized below:

<i>Program Availability</i>	During the program period June 1-September 30 (“Program Period”), Customers must be able to respond during non-holiday weekdays from 12:00 p.m. to 8:00 p.m. (Eastern Prevailing Time). PJM may call events outside of the Program Period; Customer’s performance during such events shall not impact Capacity Payments, but will be included in Customer’s Energy Payments as defined in Section 4(b) below.
<i>Event Trigger</i>	PJM will initiate Demand Response Events in ELRP in the case of a defined system emergency.
<i>Advanced Notification</i>	Customers are expected to be able to respond to an ELRP Demand Response Event notice within 120 minutes of notification from EnerNOC.
<i>Event Frequency &amp; Duration</i>	Maximum of ten (10) Demand Response Events in a year, with event duration ranging from a minimum of one (1) hour to a maximum of six (6) hours.
<i>Testing Requirement</i>	If no Demand Response Event occurs, PJM requires EnerNOC to hold a Test Event by September 30 of the Program Period.

3. **Paid Capacity.** “Paid Capacity” will be either (i) Accepted Capacity, if a Demand Response Event or a Test Event (collectively, a “DR Event”) has not been initiated during the Program Period, or (ii) Customer’s average Delivered Capacity for all DR Events initiated during the Program Period.
  - a. **Accepted Capacity.** “Accepted Capacity” shall represent the best estimate of Customer’s expected curtailment based on analysis of consumption data and pre-enrollment testing. Customer agrees that the Accepted Capacity may be adjusted by EnerNOC in the future to reflect actual performance, changes in facility operations, Program rules, regulations and/or other relevant information.
  - b. **Delivered Capacity.** “Delivered Capacity” will be the calculated performance with respect to the Program baselines and as measured by the ESS following each DR Event, up to 100% of Accepted Capacity. Customer’s Delivered Capacity may be adjusted by EnerNOC in the future following PJM approval of performance data from DR Events.
4. **Payments**
  - a. **Capacity Payments.** EnerNOC will pay Customer 54.00% of the established PJM market clearing price obtained by EnerNOC multiplied by Paid Capacity (“Capacity Payment”).
  - b. **Energy Payments.** In months when one or more Demand Response Events are called, EnerNOC will pay Customer 75.00% of the Energy Payments available from PJM to EnerNOC in connection with Customer responding to a Demand Response Event when notified by EnerNOC.
  - c. **Underperformance.** In no event shall Customer be penalized for underperformance by being required to return money to EnerNOC. If customer underperforms, adjustments will be made to future payments so that total payments made to Customer for the Program Period will reflect Paid Capacity for such Program Period.
  - d. **Payment Timing.** EnerNOC shall make all payments associated with Customer’s participation in the ELRP to Customer on a quarterly basis, and such payments shall be made within forty-five (45) days of EnerNOC’s receipt of total payment from PJM.
5. **Additional Terms**
  - a. **Curtailment Service Provider.** Customer hereby designates EnerNOC as its sole curtailment services provider for the limited purpose of participating in PJM’s Emergency Load Response Program.



### Attachment A-2

Site Name	Site Address	Estim. Capacity (kW)
Big Walnut Middle School	777 Cheshire Rd Sunbury, OH 43074	150
Big Walnut High School	555 S Old 3C Rd Suondury, OH 43074	250

**Customer Usage Information Authorization  
for PJM Load Response Programs ("Authorization")  
(Authorization must be completed in its entirety)**

Big Walnut Local School District, the end-use customer, ("Customer") hereby authorizes American Electric Power (AEP) and its subsidiary operating companies<sup>1</sup>, as the electric distribution company (ies) ("EDC"), to release its electric usage information, including hourly or sub-hourly usage history (kWh/kW), EDC loss factors, and peak load contribution assignments for the current delivery year and the upcoming delivery year if known, to EnerNOC, Inc., the curtailment service provider ("CSP"), which has been or may be retained by the Customer to act on its behalf in the PJM Load Response Programs. Customer's EDCs and end-use sites are identified by correct account number on Attachment A-1 and A-2 hereto, which are incorporated herein by reference.

1. Customer's contact information for purposes of its participation in the PJM Load Response Programs is as follows:

Customer Name: Big Walnut Local School District

Contact Person: Felicia Drummey

Title: Treasurer

Mailing Address: P.O. Box 218

Galena, OH 43021

City

State

Zip Code

Telephone

Number: (740) 965-2706

Fax Number: \_\_\_\_\_

Contact Person's

Email Address: feliciadrummey@bigwalnut.k12.oh.us

2. Customer hereby authorizes CSP that it deems the information obtained pursuant to this Authorization to be confidential and therefore requests that such information not be divulged to any third party, except as required to participate in the PJM Load Response Programs.

<sup>1</sup> Appalachian Power Company, Columbus Southern Power Company, Indiana Michigan Power Company, Ohio Power Company.

3. This Authorization shall terminate as follows (mark **ONE** of the options below):
- \_\_\_\_\_ This Authorization shall be perpetual and shall not terminate unless written notice is provided to AEP at least \_\_\_\_\_ days in advance.
- \_\_\_\_\_ This Authorization shall automatically terminate on 5/31/2018, with no further notice to AEP being required.
4. The undersigned affirms that he/she has authority to execute this Authorization on behalf of the Customer.

IN WITNESS WHEREOF, Customer executes this Authorization to be effective as of the date written below.

Customer Name: Big Walnut Local School District

By: \_\_\_\_\_  
Signature

Felicia Drummey  
Print Name

Treasurer  
Title

\_\_\_\_\_  
Date

## ATTACHMENT A-1

### LIST OF SITES FOR WHICH AEP HAS AUTHORIZATION TO PROVIDE ELECTRIC USAGE INFORMATION TO CSP

Account numbers **MUST** be correctly formatted as shown below in order to process the request. All AEP account numbers are 10 digits in length, with the first 2 digits being specific to operating company. Where an account number begins with a zero (0), the leading zero must be recorded on the request. (Example: 0700000000)

Appalachian Power Company	02
Indiana Michigan Power Company	04
Ohio Power Company	07
Columbus Southern Power Company	10

Account Number	Service Address
10550803521	555 S Old 3C Rd Suundury, OH 43074
10192778123	555 S Old 3C Rd Suundury, OH 43074

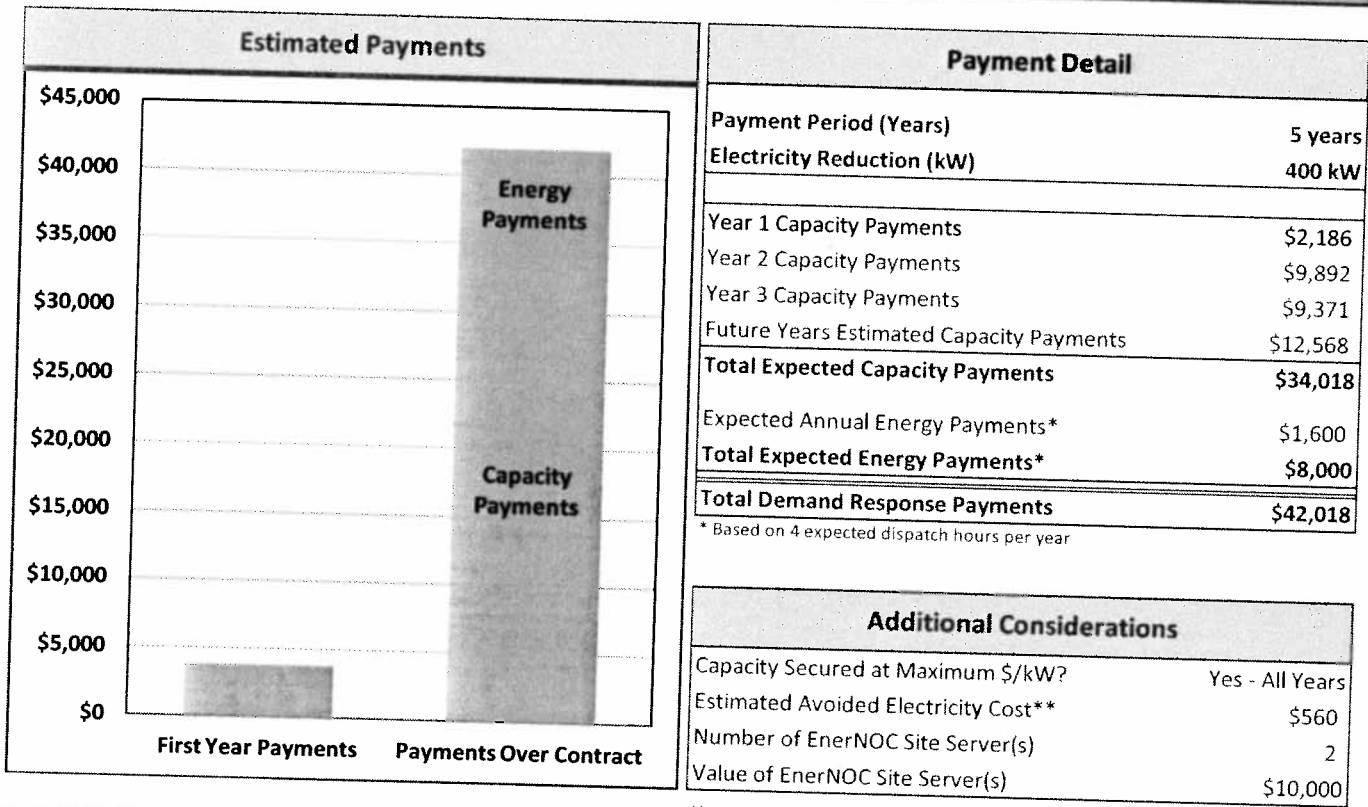
## PJM Earnings Estimate

Prepared for:  
 Felicia Drummey  
 Treasurer, Big Walnut Local School District  
 RE: Emergency Load Response Program

Leo Menard  
 Business Development Manager  
 207-271-0197  
 lmenard@enernoc.com

**Total Demand Response Earnings Estimate: \$42,018**

**Financial Benefit Including Installation and Avoided Electricity: \$52,578**



\*\* assuming load is not shifted

### Additional Benefits

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>Free real time energy meters</li> <li>Free meter installation &amp; maintenance</li> </ul> | <ul style="list-style-type: none"> <li>Online access to your real time energy usage through the DemandSMART™ portal</li> </ul> |
| <ul style="list-style-type: none"> <li>Protect your operation and your community</li> </ul>                                       | <ul style="list-style-type: none"> <li>Avoided electricity costs</li> </ul>  |

Quoted earnings estimate valid for 30 days. Final payments determined by utility or grid operator and may vary based on performance.