

PROJECT SPONSOR/HOST CUSTOMER AGREEMENT

This Agreement is entered into this _____ (date) between
between _____ (Project Sponsor), _____ (address)
and _____ (Host Customer), _____ (address)

RECITALS

Project Sponsor is a participant in the Residential and Hard-to-Reach Standard Offer Programs (“SOPs”) developed by Texas-New Mexico Power Company (“TNMP”) and administered by Frontier Energy (“Frontier”).

Host Customer desires to purchase from the Project Sponsor certain energy efficiency measures and the installation thereof that will produce the energy savings for which the SOPs were developed.

NOW THEREFORE, Project Sponsor and Host Customer agree as follows:

- 1. Project Sponsor agrees to sell and install and Host Customer agrees to purchase and pay for the energy efficiency measures as described below:

Materials and Equipment to be installed (quantity and model numbers as appropriate):

Cost and Payment Terms:

Equipment and Materials:	
Labor Cost:	
Sales Tax:	
Total:	
Payment Terms:	

Start Date: _____

Completion Date: _____

2. Additional Terms:

3. Project Sponsor warrants that it will install all energy efficiency equipment or materials in a good and worker-like manner consistent with the prevailing standards for efficiency measures installation as practiced by qualified contractors in the area.
4. Host Customer shall have the right to cancel this Agreement at any time and for any reason prior to midnight of the third business day following the date of this Agreement. Host Customer may exercise this right of cancellation by providing the Project Sponsor any written statement that is signed and dated by Host Customer and states Host Customer's intention to cancel this Agreement.

5. Labor/Installation/Equipment Warranty Terms:

6. Project Sponsor guarantees that no mechanics' or materialmen's liens will be placed on Host Customer's property relating to the installation of high efficiency measures pursuant to this Agreement after customer payment is received.
7. Host Customer acknowledges that the Project Sponsor is receiving an incentive paid by the rates of TNMP for the electricity saved by the customer's energy efficiency improvements calculated based on the Texas Technical Reference Manual (TRM).
8. HOST CUSTOMER ACKNOWLEDGES THAT ANY VIEW, INSPECTION, OR ACCEPTANCE BY TNMP OR FRONTIER OF THE HOST CUSTOMER'S EQUIPMENT INSTALLATION OR OF THE DESIGN, CONSTRUCTION, INSTALLATION, OPERATION OR MAINTENANCE OF THE EQUIPMENT IS SOLELY FOR THE INFORMATION OF TNMP OR FRONTIER AND THAT, IN PERFORMING ANY SUCH INSPECTION OR REVIEW OR IN ACCEPTING THE INSTALLED EQUIPMENT, TNMP AND FRONTIER MAKE NO REPRESENTATION OR WARRANTY WHATSOEVER AS TO THE ECONOMIC OR TECHNICAL FEASIBILITY, CAPABILITY, SAFETY OR RELIABILITY OF THE EQUIPMENT, ITS INSTALLATION BY PROJECT SPONSOR OR ITS COMPATIBILITY WITH THE HOST CUSTOMER'S FACILITIES.
9. Host Customer acknowledges that Project Sponsor is an independent contractor with respect to TNMP, Frontier and the SOP, and that Project Sponsor is not authorized to make representations or incur obligations on behalf of TNMP or Frontier. Host Customer further acknowledges that TNMP and Frontier are not a party to the Host Customer Agreement and that Project Sponsor is solely responsible for performance hereunder.
10. Host Customer acknowledges that it may file a complaint with the Public Utility Commission of Texas concerning the Project Sponsor, but that TNMP and Frontier will play no role in resolving any disputes that arise between the Host Customer and the Project Sponsor.
11. HOST CUSTOMER AGREES TO RELEASE TNMP AND FRONTIER FROM ANY AND ALL CLAIMS, DEMANDS, LOSSES, DAMAGES, COSTS AND LEGAL LIABILITY INCLUDING, BUT NOT LIMITED TO 1) INJURY OR DEATH OF PERSONS, 2) DAMAGE TO NATURAL RESOURCES, 3) VIOLATION OF ANY LOCAL, STATE, OR FEDERAL LAW OR REGULATION INCLUDING, BUT NOT LIMITED TO, ENVIRONMENTAL AND

HEALTH AND SAFETY LAWS OR REGULATIONS, 4) STRICT LIABILITY IMPOSED BY ANY LAW OR REGULATION, 5) EQUIPMENT MALFUNCTIONS, OR 6) ENERGY SAVINGS SHORTFALLS ARISING OUT OF, RELATED TO, OR IN ANY WAY CONNECTED WITH THE PROJECT, REGARDLESS OF ANY STRICT LIABILITY OR NEGLIGENCE OF TNMP, WHETHER ACTIVE OR PASSIVE, EXCEPTING ONLY SUCH CLAIMS, DEMANDS, LOSSES, DAMAGES, COSTS, EXPENSES, LIABILITY, OR VIOLATION OF LAW OR REGULATION AS MAY BE CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF TNMP OR FRONTIER, AND RESULTING FROM ITS ACCEPTANCE OF THE PROJECT FOR PARTICIPATION IN THE SOP.

Host Customer please initial each of the following:

_____ Host Customer affirms that, at the time of assessment, all HVAC systems selected for replacement were, to their knowledge:

- functional
- not functional

If functional, what is the Host Customer's motivation for determining early retirement eligibility?

_____ Host Customer agrees, upon three (3) days' prior oral notice, to provide TNMP, Frontier, or their designees, or any third-party program evaluator access to the Host Customer's property during normal business hours for the purpose of inspecting the installed equipment.

_____ Host Customer agrees that Project Sponsor shall have the right to make this Host Customer Agreement and all Host Customer utility bills, project documentation, contractor invoices, and technical and cost information available to TNMP, Frontier, and to any third-party program evaluator.

The parties have signed this Agreement as of the date first written above.

Project Sponsor Authorized Representative:

Signature

Printed Name

Host Customer Authorized Representative:

Signature

Printed Name