

# Evergy Business Energy Savings Program

## MEEIA Cycle IV Terms & Conditions

### General Terms & Conditions

#### 1. Program Effective Dates

The Evergy Business Energy Savings Program ("Program"), including Standard, Custom, and New Construction energy efficiency incentives, may be offered through MEEIA Cycle IV which ends December 31, 2026, or until approved funds are exhausted, whichever comes first. Program requirements and offerings 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 within Cycle IV. All projects must be installed, and all required documentation must be received within 90 days of project completion or by December 31, 2026, whichever comes first. If not received by the Program, the incentive will be subject to cancellation unless granted written permission for an exception.

The Program is not obligated to approve any application in excess of the Program budget. In the event of a Program change, Pre-Approval projects, which have received, signed, and returned an Offer form from the Program, will be processed to completion under the Terms & Conditions in effect on the date that the project was given Pre-Approval to the best of the Program's ability. Applications which do not require Pre-Approval will be subject to Program rules in effect on the application submission date.

#### 2. Program and Project Eligibility

By participating in the Program, the Customer agrees that Evergy may obtain and maintain ownership of all rights to existing and future emissions credits, renewable energy green tags, tradable renewable certificates and all other environmental benefit credits associated with the installation of the eligible equipment.

All Evergy Missouri Metro and Evergy Missouri West service territory accounts are eligible to participate in the 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.

To qualify for energy efficiency incentives under the MEEIA Business Energy Savings Program, the project location must have prior Evergy-billable energy usage that exceeds the estimated savings of the new measure(s). If the project location does not have prior energy usage, the project will be evaluated for incentive qualifications.

Customers with net metering, solar, or other renewable energy sources will undergo additional review to verify that their Evergy-billable energy usage exceeds claimed savings. Evergy reserves the right to withhold incentives for these projects if the criteria are not met.

EEMs that reduce electricity usage 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 will only approve those site-specific Program measures that are believed to have cost-effective energy savings and/or demand reduction potential.

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, neither Evergy nor the Program are responsible for any work performed by the selected Trade Ally.

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### 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 \$500,000 per Customer (based on tax ID), per year. Incentive funds are reserved only for Pre-Approved projects which have had a signed Offer form returned to the Program. 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.

### 4. Project Review Process

The Program reserves the right to request additional supporting documentation prior to project Pre-Approval or incentive delivery to ensure Customer or measure eligibility, measure energy savings potential, and project costs. Applications must be complete and submitted to the Program before project evaluation will occur. Applications are reviewed in the order in which they are received.

The Program may require the Customer to provide an analysis of the demand and energy reduction potential of proposed EEMs. Failure to submit this information in the time requested may result in a denial of the incentive. 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 analyses. Evergy will have final determination of whether a project is eligible for incentives based on each Program's eligibility guidelines and project scope.

Before approving an incentive, Evergy reserves the right to adjust and/or negotiate the incentive amount. The Program may require that a project site inspection is completed before giving a project Pre-Approval or issuing an incentive. 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. In any case, Evergy reserves the right in its sole discretion to approve or deny any such measures proposed.

The Customer is responsible for the removal and disposal of the equipment being replaced by the EEMs in accordance with all laws, rules and regulations. The Customer agrees not to reinstall any of the replaced equipment in the service territory of Evergy or its affiliates.

All measures must be installed in a property owned by the applicant, or the applicant must receive permission from the property owner to install the EEM. All measures must be operational prior to submitting project completion documents.

### 5. Proprietary Information Protection

All proprietary information received by the Program will be treated as confidential and used only for the purpose of evaluating proposed EEMs. Proprietary information given to the Program may be provided to the Evergy approved third-party Program evaluator but will not be provided to any other party without the expressed permission of its owner. Proprietary information includes, but is not limited to, vendor pricing not normally disclosed to customers, proprietary trade information, patent-pending technologies, and any information that is specified on a document which is labeled 'Proprietary'.

Evergy may wish to publicize the Customer's participation in the Program, the amount of incentive dollars 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 Evergy to make non-proprietary information public.

### 6. Inspections

Evergy and the Program reserve the right to complete Pre-Approval and post-installation inspections at their discretion as part of the project review and to verify compliance with the Program Terms & Conditions. The Program is not bound to grant a project Pre-Approval or issue an incentive if these inspections are not completed. New Construction projects will require a post inspection, regardless of the incentive amount. If Evergy determines that the EEMs were not installed in a

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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 project changes before making any incentive payment.

Evergy may complete follow-up visits as necessary to a Customer's facility during the 24 months following the completion date noted on the application. Such visits will occur at a time convenient to the Customer, with advance notice given to the Customer by Evergy. The purpose of a follow-up visit is to provide Evergy with an opportunity to review the operation of the EEMs for Program evaluation purposes. Follow-up visits will have no impact on the incentive paid to the Customer for installing the EEMs.

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.

## 7. Miscellaneous

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 may change any Program requirements, incentives or Terms & Conditions at any time without notice, including suspending the acceptance of any applications or terminating any project.

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 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 & 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 & Conditions is deemed invalid by any court or administrative body having jurisdiction, such ruling shall not invalidate any other provision, and the remaining Terms & 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 aspects 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 the Customer 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 Effective as of: January 1, 2025

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.

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.

By signing the Terms & Conditions you will automatically be enrolled for Evergy’s email subscription.

Program-Specific Terms & Conditions

9. Incentives

Subject to these Terms & 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.

All Custom measures submitted on an application must pass the benefit cost test to be eligible for incentives. Additionally, all Custom measures submitted on an application must have a simple payback (before applying the incentive) of 12 months or greater. Custom incentive 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.

The incentive caps shown in Table 1 are effective in addition to those stated in Section 3 “Incentive Payment Thresholds”. Definitions for Total and Incremental costs can be found in Section 11 “Project Costs”.

Table 1: Incentive Caps by Program and Measure Type

MEASURE TYPE	Standard / Custom		New Construction
	Standard Measures	100% Total Measure Cost	100% Total Measure Cost
	Custom Measures	75% Total Measure Cost for Retrofits	100% Incremental Cost
		100% Incremental Measure Cost for New / Replacing failed or end-of-life equipment	-
	New Construction Whole Building Performance	-	\$50,000 in incentives per site / project

Notwithstanding any other provision of these Terms & 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.

10. Customer Eligibility

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All projects that contain at least one Custom measure and any project with an anticipated incentive amount exceeding \$15,000 must be submitted for Pre-Approval prior to equipment purchase or installation. All incentives less than or equal to \$15,000 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.

New Construction project requirements and eligibility: Buildings that are not required to adhere to the 2021 International Energy Conservation Code ("IECC") as enforced by their city or county are eligible. This 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, and central mechanical systems are included in the design but future build-out work or tenant improvement are permitted separately. For more details, refer to the Evergy New Construction Handbook.

## 11. Project Costs

Customers must provide all documentation necessary to establish final project costs required for the installation of EEMs. Final invoicing shall include a breakdown of all measure 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 measure cost is defined as the incremental cost difference between 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 measure cost is the total cost to purchase and install the qualifying measures.

## 12. Reserving Funds

The pre-installation Offer form sent to the Customer will contain written notification of the Pre-Approved incentive amount and the timeframe that the EEMs must be fully installed to qualify for an incentive payment. The customer must sign and return the Offer form to Evergy within thirty (30) days of its receipt to acknowledge the customer's acceptance of the approved incentive. 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. 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.

## 13. Contractor Shared Savings Arrangements

If Custom EEMs are 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.