# EPC SCHEDULE C:

# GUARANTEE

## Guaranteed Annual Cost Savings

Measurable and verifiable aggregate of Guaranteed Annual Utility Cost Savings, Guaranteed Annual Operations and Maintenance Cost Savings, and Annual Vehicle Fleet Operational and Fuel Cost Savings guaranteed by Contractor resulting from the Project that shall occur for each year of the Guarantee Period pursuant to Schedule C. Guaranteed Annual Utility Cost Savings shall be determined by Contractor’s measurement and verification of annual utility unit use reductions and the application of mutually agreed to baseline and escalated unit costs for each year of the Guarantee Period as defined in Schedule C.

## Guarantee

Contractor hereby warrants and guarantees that for each year of the Guarantee Period, the Project shall result in annual cost savings equal to or greater than the Annual Guaranteed Cost Savings presented in Schedule C which shall be equal to or greater than the Principal Representative’s annual and aggregate payments used to repay the project funding. Failure to meet Guaranteed Annual Cost Savings in any year during the Guarantee Period shall result in Contractor directly remunerating the Principal Representative the dollar amount equal to the cost value of that year’s Guaranteed Annual Cost Savings shortfall. Alternatively, subject to the Principal Representative’s consent, which shall not be unreasonably withheld, Contractor may implement additional ECMs, at no cost to the Principal Representative, which may generate additional annual cost savings in future years of the Performance Period to offset the Guaranteed Annual Cost Savings shortfall.

## Guarantee Period

The mutually agreed to time period after the M&V Commencement Date, during which Guaranteed Annual Cost Savings resulting from the Project are measured and verified by the Contractor under a mutually agreed upon Measurement and Verification Services Plan as presented in Schedule D.

Contractor guarantees that the Project shall result in Guaranteed Annual Cost Savings to the State, as indicated, for each year of the Guarantee Period, as presented in the following Table C1.

[Complete the below table, or present equivalent information, for each year of the statutory required Guarantee Period and for each year through the Financial Agreement Term as requested by the State. The M&V Term determines the ESCO’s guarantee requirements. Annually escalated cost savings should reflect the annual escalation factors presented in Table C2 as per EPC M&V Policy.]

## Table C1: Guaranteed Annual Cost Savings

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Year** | **Guaranteed Annual Utility Cost Savings** | **Guaranteed Annual O&M Cost Savings** | **Annual Vehicle Fleet Operational and Fuel Cost Savings** | **Guaranteed Annual Cost Savings** |
| 1 |  |  |  |  |
| 2 |  |  |  |  |
| 3 |  |  |  |  |
| 4 |  |  |  |  |
| 5 |  |  |  |  |

**Table C2: Baseline Rates and Annual Escalation Rates:**

Add additional rows as needed to match term of financing agreement.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Year** | **Electricity kWh** | **Electricity kW** | **Natural Gas** | **Water** | **Sewer** | **M&V** | **O&M** | **Other** |
| **Baseline Rates** |  |  |  |  |  |  |  |  |
| **Year 1 Escalator (%)** |  |  |  |  |  |  |  |  |
| **Year 2 Escalator (%)** |  |  |  |  |  |  |  |  |
| **Year 3 Escalator (%)** |  |  |  |  |  |  |  |  |

## Table C3: Proposed Unit Savings and Guaranteed Annual Cost Savings for Project For Year 1 by ECM

[Complete this table, or present equivalent information, for Year 1 of the Guarantee Period. Include all applicable fuels/commodities for project, e.g., electric energy, electric demand, natural gas, fuel oil, coal, water, sewer, O&M, vehicles, etc.]

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ECM  | Total energy savings (MMBtu/yr) | Electric energy savings (kWh/yr) | Electric demand savings (kW/yr) | Electricity savings(MMBtu/yr) | Natural gas savings(MMBtu/yr) | Water savings (gallons/yr) | Other energy savings (MMBtu/yr) | Total energy and water cost savings, Year 1 ($/yr) | Other energy-related O&M cost savings, Year 1 ($/yr) | Total cost savings, Year 1 ($/yr) |
|  |  |  |  |  |  |  |  |  |  |  |
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|  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| Total savings |  |  |  |  |  |  |  |  |  |  |

**Notes**

MMBtu=106 Btu.

\*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.