

Preferred Partners Network

Preferred Partners Network - Commercial Trade Ally Requirements

1. Purpose

The Preferred Partners Network (PPN) for commercial trade allies is a master list, maintained by TVA, of commercial trade allies committed to the design, installation, servicing, and promotion of high quality energy efficiency and demand response technologies and equipment for commercial application. The PPN is a tool made available to consumers of TVA power which can help them choose a commercial trade ally (CTA) to implement certain energy efficiency and demand response measures.

2. Participation Criteria

2.1. Membership

Membership in the PPN includes responsibilities and privileges. PPN membership privileges for commercial trade allies include:

1. PPN Member listing. TVA maintains and shares with TVA power distributors a master list of commercial trade allies and energy services companies that have qualified for PPN membership (PPN Members) by complying with all necessary membership requirements.
2. Promotion. TVA and TVA power distributors promote PPN Members by sharing information on membership requirements and the qualifications of PPN Members with interested commercial end-use customers. A PPN Member may receive support from TVA for cooperative advertising as funding allows.
3. Training. Training will be provided on a variety of topics (e.g., from form completion to the latest energy efficient technologies).

2.2 Membership Requirements

To be accepted for PPN membership, each CTA must fill out a membership application (incorporated into this document and attached hereto as Attachment A) and meet the requirements set out in Section 2.2 herein.

It is expressly recognized and agreed that TVA, in its sole judgment and discretion, will make the determination(s) on whether any such requirements set forth herein relating to any aspects of PPN membership have been met. It is further expressly recognized and agreed that nothing in this document shall be interpreted to create in any applicant a legal entitlement to membership in the PPN.

2.2.1. Technical and Managerial Requirements

1. CTA PPN Members must maintain high quality standards in both products and service by holding professional certifications or current trade association memberships that TVA determines to be necessary. The table below generally illustrates the progression of requirements, advanced or professional education/training, and accreditations for different types of CTA PPN Members.

This Table is for Illustrative Purposes Only

Business Type	Minimum Requirements by Local Authority having Jurisdiction	Preferred Supplemental Credentials *	Preferred Energy Related Association Memberships*
General Contractor	General Contracting License	CEM, LEED	ABC, AEE, ASHRAE, USGBC
Electrical/Lighting Contractors	Electrical Contracting License	CLP, CEM, LEED	IESNA, AEE, USGBC
Mechanical Contractors	Mechanical Contracting License	PE, CEM, LEED	ABC, ASHRAE, AEE, USGBC
EMS/Controls Contractor	Applicable License	PE, CLP, LEED, CEM	ABC, ASHRAE, AEE, IESNA, USGBC
Consultant	Applicable License	CEM, LEED	IEEE, ASHRAE, AEE, USGBC, IESNA
Engineers	Professional Engineer License	CEM, LEED	IEEE, ASHRAE, AEE, USGBC
Architects	Registered Architect	CEM, LEED	AIA, USGBC

**(ABC) American Building Contractors*

**(AEE) Association of Energy Engineers*

**(AIA) American Institute of Architects*

**(ASHRAE) American Society of Heating, Refrigeration and Air Conditioning Engineers, Inc.*

**(CEM) Certified Energy Manager*

**(CLP) Certified Lighting Professional*

**(IEEE) Institute of Electrical and Electronics Engineers*

**(IESNA) Illuminating Engineering Society of North America*

**(LEED) Leadership in Energy and Environmental Design*

**(P.E.) Professional Engineer*

**(USGBC) United States Green Building Council*

2.2.2 Credit Report

PPN membership is dependent upon TVA performing a creditworthiness review of each potential member and a determination by TVA, in its sole judgment, that the potential member is creditworthy. In completing the initial credit evaluation, TVA will consider many factors to determine creditworthiness including, but not limited to, financial statements, credit reports, and Dun & Bradstreet reports. Potential PPN Members shall provide TVA with the information outlined herein.

2.2.3. Establishment of Business

To qualify as a PPN Member, a CTA must have been in business as the business type indicated on the application under “Business Type” with an established office for at least one year. The potential CTA PPN Member must provide to TVA, along with the completed application, a State-issued valid business license and tax returns (or other evidence of operations) for one year.

2.2.4. Certification of Staff

To qualify as a PPN Member, a CTA must maintain a trained and qualified staff of personnel or use only qualified outside service personnel to operate and maintain equipment installed by the PPN Member.

2.2.5. Promotion

PPN Members must actively promote energy efficiency. Promotion efforts may include displaying materials provided by TVA and the local TVA power distributor, making appropriate energy-efficiency-related literature available to commercial end use customers, and providing information to commercial end use customers on TVA-sponsored energy efficiency and demand response programs. In promoting energy efficiency, PPN Members must:

1. Demonstrate a desire and willingness to actively participate in the PPN.
2. Not engage in negative promotion against the PPN, TVA, any TVA power distributor, or the commercial end use customer.
3. Comply with section 14 below.

2.2.6. References

To qualify as a PPN Member, a CTA must provide to TVA customer references from at least three (3) projects and/or installations completed in the last two (2) years and a trade reference from a financial institution, a supplier, equipment wholesaler, or other vendor.

2.2.7. Proof of Insurance

To qualify as a PPN Member, a CTA shall provide bonds and insurance of the types and limits appropriate for the scope of work performed in accordance with prudent business and construction industry practices. Proof of insurance shall be provided to TVA upon initial membership and upon request.

2.2.8. Workers Compensation

To qualify as a PPN Member, a CTA shall maintain legally required workers’ compensation insurance. The CTA must provide TVA with written proof of this coverage upon initial membership and upon request.

3. PPN Membership

Within thirty (30) days of a completed, submitted application, TVA will endeavor to make a determination on whether to approve an applicant for PPN membership. Such applicant will be notified of its acceptance as a PPN Member promptly after approval. The PPN membership will be effective as of the date stated in the notification from TVA and will continue until such member is removed or withdrawn from the list, or until the PPN is terminated. Although after TVA has granted membership to the PPN Member, the PPN Member is eligible to perform work for end-use customers on TVA-promoted energy efficiency and demand response projects, neither TVA nor TVA power distributors warrant the quality or appropriateness of the work performed by any PPN Member.

4. CTA PPN Member Responsibilities

PPN Members shall:

1. Support TVA's ongoing commitment to provide exceptional service to TVA power distributors and commercial end-use customers.
2. Share necessary information regarding energy efficiency and demand response initiatives within the TVA region (see map in Attachment A).
3. Determine the local power distributor serving the commercial end use customer.
4. Confirm that the TVA power distributor is participating in certain commercial energy efficiency and demand response programs sponsored by TVA.
5. Contact the TVA power distributor about required forms and any items on the forms needing clarification before work begins.
6. Meet all membership requirements as described in Section 2.2.
7. Contact the TVA power distributor and TVA before entering into an energy efficiency and demand response contract with commercial end-use customer that may qualify for participation in a TVA-sponsored commercial program.
8. Provide TVA and the TVA power distributor with any requested information about energy efficiency and demand response projects.

5. Business Practices

Once a CTA qualifies as a PPN Member, such PPN Member must:

1. Maintain a permanent established place of business and provide evidence of its continuing existence and operation upon TVA's request.
2. Maintain all licenses, permits, authorizations, consents, or approvals of all appropriate governmental authorities and all public or private boards and bodies necessary to perform energy efficiency and demand response projects in each area in which the PPN Member does business.
3. Provide a business phone number with an answering service and/or answering system available for commercial end use customers.
4. Recommend, design, install, and make operational all equipment promised within a reasonable time after commercial end use customer authorization.
5. Not make misleading or exaggerated claims as to the level of energy costs savings that can be expected from the services provided by the PPN Members.
6. Offer to provide regular service for equipment installed or subcontracted by the PPN Member, and not abandon equipment placed with the commercial end-use customer.
7. Represent truthfully and clearly the PPN Member's qualifications and capabilities to perform services.
8. Agree to represent its business in an ethical, professional manner and as an independent contractor and at no time will it represent its business as an agent or representative of TVA or TVA power distributors. The PPN Member will act as an independent contractor to provide services to its customers, and no employee of the PPN Member will be considered, for any purpose, to be an employee, agent, or representative of TVA or TVA power distributors. Any

contracts between the PPN Member and its customers or any third parties shall clearly and conspicuously express that no agency relationship exists between TVA or TVA power distributors and the PPN Member.

6. Training

TVA will establish continuing energy-efficiency-related training requirements for PPN members, which will include a minimum number of hours of training per year. Additional training which may be used to meet such annual training requirements for CTA PPN Members may include: (1) manufacturer's training sessions on energy efficiency technologies, applications, installation, or service; (2) continuing education units dealing with business or interpersonal skills improvements; (3) marketing, business, or sales classes; and (4) annual in-house ethics training. CTA PPN Members must complete and submit their training for recertification. (Approved training options will be developed annually and posted for access by CTA PPN members via the internet.)

CTA PPN Members must have at least one representative attend all TVA mandatory training sessions. TVA will give CTA PPN Members advance notice of any mandatory training.

7. Business Entities/Ownership

The PPN Member will be considered as an entity. Any changes in name or ownership will require recertification for membership and will not relieve the entity of PPN obligations. In the event that PPN Members merge, only one business entity may maintain membership in the PPN.

8. Forms

PPN Members must complete and submit forms as required by TVA for reporting purposes in TVA-sponsored programs for commercial end-use customers. Forms and submittal instructions will be provided by TVA.

9. Withdrawal or Removal from PPN Membership

A PPN Member may withdraw its PPN membership by notifying TVA upon fifteen (15) days' prior written notice of the effective date of such withdrawal. By the effective date of the proposed withdrawal, the PPN Member must provide TVA with a list of all work in progress under any energy efficiency and demand response project related to a TVA program where there is a signed agreement between the PPN Member and a commercial end-use customer.

TVA may, in its sole discretion, remove a PPN Member from PPN membership effective immediately. TVA will notify any PPN Member so removed by certified mail of the effective date of removal.

Nothing in such withdrawal or removal from PPN membership prohibits a former PPN Member from applying for reinstatement to PPN membership.

10. Release

All PPN Members agree to release TVA and TVA power distributors from any liability with regard to the PPN.

11. Indemnification

All PPN Members shall indemnify, defend, and hold TVA and TVA power distributors, contractors, agents, or employees harmless from any claims, demands, liability, suits, actions, losses, costs (including reasonable attorney's fees), and claims of every kind and description for injuries or damages to any person or property, or in any way related to the PPN except with respect to the sole negligence of TVA or a TVA power distributor. All PPN Members shall also indemnify TVA and TVA power distributors from

any third party claims for damage to property or injury to persons (including death) to the extent that such damage or injury is in any way associated with the PPN except with respect to the sole negligence of TVA or a TVA power distributor.

12. Limitation of Liability

All PPN Members agree that TVA and TVA power distributors shall not be liable to any PPN Member, whether in contract, in tort (including negligence and strict liability), under any warranty, or otherwise, for any special, indirect, incidental, or consequential loss or damage in any way connected with the PPN. It is expressly recognized and agreed that the PPN Member shall prominently include such limitation of liability in any arrangements that it may make with TVA and/or a TVA power distributor in connection with its PPN membership.

13. No Warranty

Although after TVA has granted membership to the PPN Member, the PPN Member is eligible to perform work for end-use customers on TVA-promoted energy efficiency and demand response projects, neither TVA nor TVA power distributors warrant the quality or appropriateness of the work performed by any PPN Member regardless of its adherence to established PPN requirements or its acceptance into membership in the PPN, and there are no warranties that extend beyond the description on the face hereof. It is expressly recognized and agreed that the PPN Member shall prominently include such a warranty disclaimer in any arrangements that it may make in connection with its PPN membership.

14. No Legal “Partnership”

In the promotion and solicitation of support for the PPN, all PPN Members and TVA shall include appropriate disclaimers, approved by their counsel, to the effect that the use of the term “partner” describes a general working relationship, and is not to be construed to represent that any PPN Members, TVA, TVA power distributor, or PPN are parties to a legal partnership or other jointly controlled and operated business entity arrangement between PPN Members on one hand, and TVA or TVA power distributor on the other, or between TVA and TVA power distributor.

15. Follow-up Surveys/Questionnaires

PPN Members must respond to any follow-up surveys or questionnaires from TVA or TVA power distributors pertaining to the PPN.

ATTACHMENT A

Preferred Partners Network (PPN) Membership Application

Preferred Partner Information			
Network application for Preferred Partners: (check any that apply)			
<input type="checkbox"/> Commercial Trade Ally <input type="checkbox"/> Industrial Trade Ally		<input type="checkbox"/> ESCO (NAESCO accredited? <input type="checkbox"/> yes <input type="checkbox"/> no)	
Company (Legal or Parent Name)			
Business or Trade Name (if different from above)			
Contact Name			
Contact Title			
Mailing Address			
City	State	Zip	
Phone	Cell Phone	Fax	
E-Mail		Web Site	
Business Type			
<input type="checkbox"/> Architect/Engineer <input type="checkbox"/> General Contractor <input type="checkbox"/> Manufacturers' Rep <input type="checkbox"/> Energy Services Co. (ESCO) <input type="checkbox"/> Distributor/Supplier <input type="checkbox"/> Lighting Contractor <input type="checkbox"/> Mechanical Contractor <input type="checkbox"/> EMS/Controls Contractor <input type="checkbox"/> Consultant/Designer <input type="checkbox"/> Electrical Contractor <input type="checkbox"/> Other _____			
Years in Business	No. of full-time Employees	Federal Tax ID#	
Areas of Expertise:			
<input type="checkbox"/> HVAC <input type="checkbox"/> Geothermal <input type="checkbox"/> Indoor Lighting <input type="checkbox"/> Outdoor Lighting <input type="checkbox"/> Motors <input type="checkbox"/> Refrigeration <input type="checkbox"/> Compressed Air <input type="checkbox"/> Water Heating <input type="checkbox"/> Recommissioning <input type="checkbox"/> EMS/Controls <input type="checkbox"/> Cooking <input type="checkbox"/> Process			
For staff members with applicable credentials, list their names and credentials (Commercial Trade Allies – see table in Membership Requirements section)			
List contractor and/or business license(s)			
State, Local and/or Trade Association Memberships			
Power Distributor Areas Served within TVA region (see attached map)			
Bank and Trade Information			
Bank Name	Contact Person	Telephone Number	Fax Number
<input type="checkbox"/> Most current Dun & Bradstreet report and/or current financial information included per attached Credit Evaluation Guidelines			

ATTACHMENT A

Customer References		
<input type="checkbox"/> Commercial <input type="checkbox"/> Industrial <input type="checkbox"/> Government <input type="checkbox"/> Institutional		
Company		
Energy Efficiency Project (brief description including month/year completed)	Contact	Telephone
<input type="checkbox"/> Commercial <input type="checkbox"/> Industrial <input type="checkbox"/> Government <input type="checkbox"/> Institutional		
Company		
Energy Efficiency Project (brief description including month/year completed)	Contact	Telephone
<input type="checkbox"/> Commercial <input type="checkbox"/> Industrial <input type="checkbox"/> Government <input type="checkbox"/> Institutional		
Company		
Energy Efficiency Project (brief description including month/year completed)	Contact	Telephone
PPN Applicant/Member Signature(s)		
<p>I agree in good faith to meet the membership and performance requirements, and hereby accept all of the terms and conditions set forth in the Preferred Partners Network Requirements. I further certify that I have read those requirements, including, without limitation sections 10 through 14 thereof which read as follows:</p>		
<p>Release</p> <p>ALL PPN MEMBERS AGREE TO RELEASE TVA AND TVA POWER DISTRIBUTORS FROM ANY LIABILITY WITH REGARD TO THE PPN.</p>		
<p>Indemnification</p> <p>ALL PPN MEMBERS SHALL INDEMNIFY, DEFEND, AND HOLD TVA AND TVA POWER DISTRIBUTORS, CONTRACTORS, AGENTS, OR EMPLOYEES HARMLESS FROM ANY CLAIMS DEMANDS, LIABILITY, SUITS, ACTIONS, LOSSES, COSTS (INCLUDING REASONABLE ATTORNEY'S FEES), AND CLAIMS OF EVERY KIND AND DESCRIPTION FOR INJURIES OR DAMAGES TO ANY PERSON OR PROPERTY, OR IN ANY WAY RELATED TO THE PPN EXCEPT WITH RESPECT TO THE SOLE NEGLIGENCE OF TVA OR A TVA POWER DISTRIBUTOR. ALL PPN MEMBERS SHALL ALSO INDEMNIFY TVA AND TVA POWER DISTRIBUTORS FROM ANY THIRD PARTY CLAIMS FOR DAMAGE TO PROPERTY OR INJURY TO PERSONS (INCLUDING DEATH) TO THE EXTENT THAT SUCH DAMAGE OR INJURY IS IN ANY WAY ASSOCIATED WITH THE PPN EXCEPT WITH RESPECT TO THE SOLE NEGLIGENCE OF TVA OR A TVA POWER DISTRIBUTOR.</p>		
<p>Limitation of Liability</p> <p>ALL PPN MEMBERS AGREE THAT TVA AND TVA POWER DISTRIBUTORS SHALL NOT BE LIABLE TO ANY PPN MEMBER, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), UNDER ANY WARRANTY, OR OTHERWISE, FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL LOSS OR DAMAGE IN ANY WAY CONNECTED WITH THE PPN. IT IS EXPRESSLY RECOGNIZED AND AGREED THAT THE PPN MEMBER SHALL PROMINENTLY INCLUDE SUCH LIMITATION OF LIABILITY IN ANY ARRANGEMENTS THAT IT MAY MAKE WITH TVA AND/OR A TVA POWER DISTRIBUTOR IN CONNECTION WITH ITS PPN MEMBERSHIP.</p>		

ATTACHMENT A

No Warranty

ALTHOUGH AFTER TVA HAS GRANTED MEMBERSHIP TO THE PPN MEMBER, THE PPN MEMBER IS ELIGIBLE TO PERFORM WORK FOR END-USE CUSTOMERS ON TVA-PROMOTED ENERGY EFFICIENCY AND DEMAND RESPONSE PROJECTS, NEITHER TVA NOR TVA POWER DISTRIBUTORS WARRANT THE QUALITY OR APPROPRIATENESS OF THE WORK PERFORMED BY ANY PPN MEMBER REGARDLESS OF ITS ADHERENCE TO ESTABLISHED PPN REQUIREMENTS OR ITS ACCEPTANCE INTO MEMBERSHIP IN THE PPN, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. IT IS EXPRESSLY RECOGNIZED AND AGREED THAT THE PPN MEMBER SHALL PROMINENTLY INCLUDE SUCH A WARRANTY DISCLAIMER IN ANY ARRANGEMENTS THAT IT MAY MAKE IN CONNECTION WITH ITS PPN MEMBERSHIP.

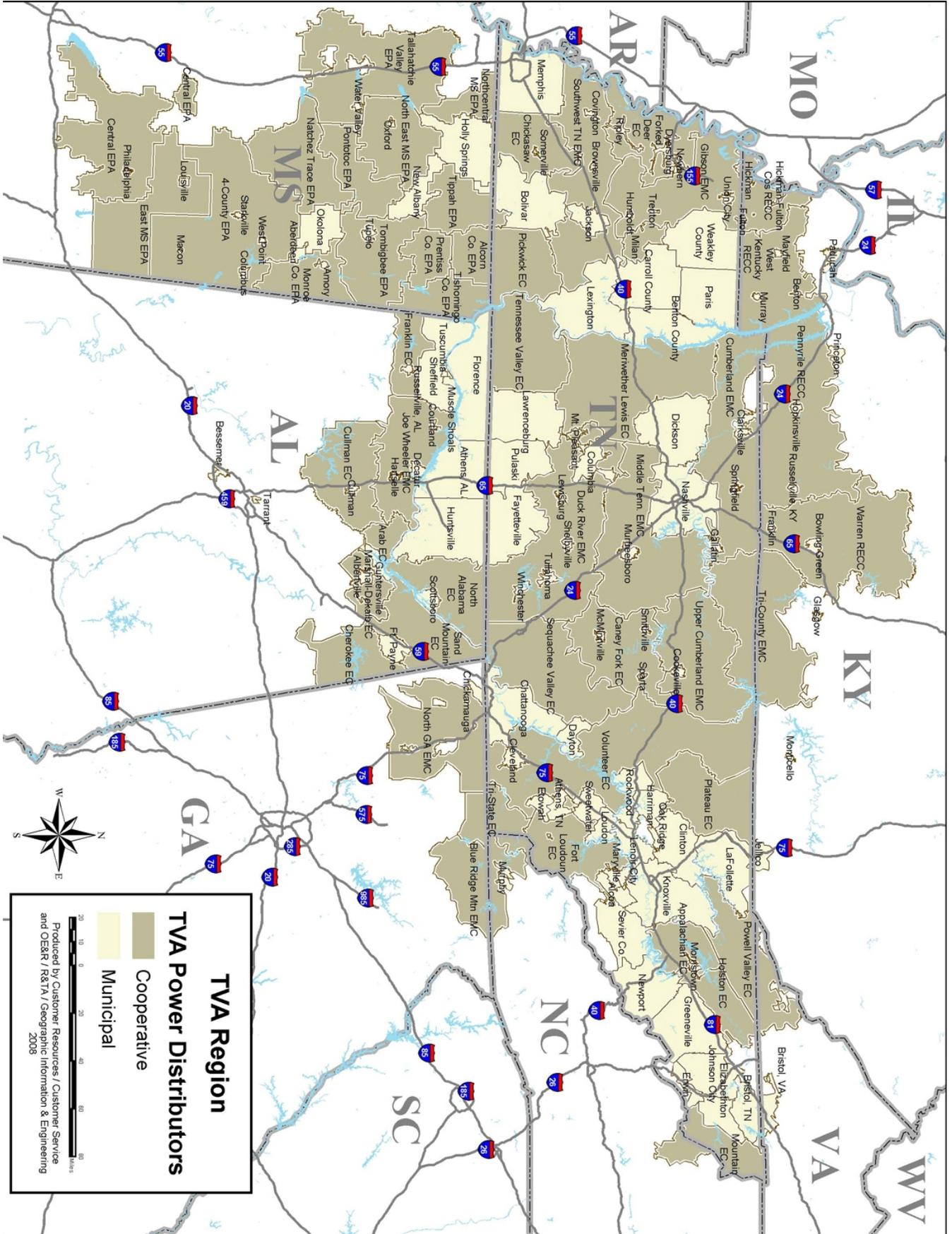
No Legal "Partnership"

IN THE PROMOTION AND SOLICITATION OF SUPPORT FOR THE PPN, ALL PPN MEMBERS AND TVA SHALL INCLUDE APPROPRIATE DISCLAIMERS, APPROVED BY THEIR COUNSEL, TO THE EFFECT THAT THE USE OF THE TERM "PARTNER" DESCRIBES A GENERAL WORKING RELATIONSHIP, AND IS NOT TO BE CONSTRUED TO REPRESENT THAT ANY PPN MEMBERS, TVA, TVA POWER DISTRIBUTOR, OR PPN ARE PARTIES TO A LEGAL PARTNERSHIP OR OTHER JOINTLY CONTROLLED AND OPERATED BUSINESS ENTITY ARRANGEMENT BETWEEN PPN MEMBERS ON ONE HAND, AND TVA OR TVA POWER DISTRIBUTOR ON THE OTHER, OR BETWEEN TVA AND TVA POWER DISTRIBUTOR.

I understand that TVA may make changes to the requirements for PPN membership. I will become a member of the PPN on the date TVA verifies that I have met all membership requirements. I may withdraw from the PPN at any time with a fifteen (15) day written notice to TVA. By signing, I certify that the information provided is correct and authorize TVA to check my credit history.

Applicant/Member Authorized Signature _____ Date _____

ATTACHMENT A



ATTACHMENT A

Credit Evaluation Guidelines

Initial Credit Evaluation

All applicants for PPN membership will be subject to a complete credit evaluation and analysis in order for TVA to determine the applicant's creditworthiness. In completing the initial credit evaluation, TVA will consider many factors to determine creditworthiness including, but not limited to financial statements, credit reports, and Dun & Bradstreet reports.

Please submit all applicable information, including most current Dun & Bradstreet report and/or current financial information to:

Tennessee Valley Authority
c/o EEDR Delivery-PPN
P.O. Box 292409
Nashville, TN 37229-2409
Fax (615)-232-6828

Questions, Contact:

Commercial Trade Ally (CTA) Dan T. Johnson (615) 232-6139 dtjohnson@tva.gov	Energy Services Company (ESCO) Rocky L. Jones (615) 232-6913 rljones4@tva.gov
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