

Attachment C: Glossary (Definitions of Terms)

Advanced Measurement and Verification (AMV): For the purpose of this solicitation, AMV refers to the CalTRACK data analysis methodology and software implementation to support weather-normalized metered energy consumption (NMEC) savings calculations as a basis for savings claims for the P4P Pilot.

Bid: The total U.S dollar amount that is requested for the 5-year contract period. Levelized Cost and Payment/MMBtu will be calculated from this value.

Customer: An active utility account holder for National Grid electric service, which may also include an active account holder for National Grid gas service.

Customer Information: Proprietary, sensitive or confidential information of National Grid or NYSERDA, as the case might be, including, names, addresses, National Grid account numbers, billing and usage information, energy consumption data, service classifications, and detail regarding participation or non-participation in energy efficiency or demand management programs, in each case whether such proprietary, sensitive or confidential information is written, electronic, oral, or visual and whether or not marked or identified as proprietary, sensitive or confidential.

Effective Useful Life (EUL): An estimate of the median number of years that an installed measure will be in place and operable. EUL values are for new equipment and are provided as years. Measure-specific EUL values allow for determination of lifetime energy savings and Levelized Cost.

Initial Intervention Start Date: The date that a Portfolio Manager first begins an Intervention with an eligible Customer, as defined in the solicitation. The Customer's energy usage during the previous 13 months serve as the baseline, or pre-intervention, period against which future energy savings will be measured. Portfolio managers provide the Initial Intervention Start Date for each customer when submitting a Project to be added to their Portfolio.

Initial Intervention End Date: The date that marks the end of the Initial Intervention Period. The following 36 months will serve as the Performance Period, during which the customer's energy usage will be compared to the baseline period to determine Payable Energy Savings. Portfolio Managers provide the Intervention End Date for each customer when submitting a Project to be added to their Portfolio.

Implementation Period: The two-year period during which Portfolio Managers can add Projects to their portfolio commencing on the Portfolio Manager contract start date.

Intervention: Implementation of energy efficiency measures at a given point in time.

Levelized Cost (also known as Levelized Cost/MMBtu): The Levelized Cost/MMBtu will be calculated by dividing the Bid by the expected lifetime savings of a proposer's portfolio. This value is calculated in Attachment A and bidders will be compared using this value.

Payable Energy Savings: The reduction in weather-normalized metered energy consumption from the pre-period to the post-period achieved through the implementation of energy efficiency Interventions. These estimated savings will be provided using the CalTRACK methods. This is the energy savings

volume that National Grid will pay Portfolio Managers for, based on the contracted Payment/kWh and Payment/MMBtu rates.

Payment Rate: Payment/Energy Unit (kWh or MMBtu). Payments will be calculated using these values and multiplying by the Payable Energy Savings for the applicable fuel type. This value is calculated in Attachment A.

Portfolio Manager: An energy service provider that is awarded a contract in a Pay for Performance Pilot to implement energy efficiency products and services with Customers and is being compensated at the Payment/energy unit (kWh or MMBtu) rate for delivered energy savings during the contracted term. Portfolio Managers may be loan providers, technology vendors, contractors, energy service companies, or other program implementers. Portfolio Managers can either directly provide energy services to Customers, or through defined partnerships or subcontractor relationships.

Participating Customers: Eligible Customers who elect to participate in the P4P Pilot by signing a contract with one of the contracted Portfolio Managers in exchange for energy efficiency services.

Performance Period: The 3-year time period following the Initial Intervention End Date during which a customer's energy usage will be compared to the baseline period to determine that Customer's energy savings. Portfolio Managers may re-intervene with the customer at any time during this period to increase savings.

Portfolio: Set of Projects for which a Portfolio Manager will be paid during the individual Projects' Performance Periods.

Project: An Intervention or set of Interventions for a Customer. The required Project data and Customer authorizations for data sharing must be provided for a Project to be added to a Portfolio Manager's Portfolio.