

RESIDENTIAL STORAGE WATER HEATING PROGRAM DESCRIPTION

1. **Provide water heater:** The Cooperative will provide to the Property Owner an electric water heater(s) valued at \$1,460.34 (85 gallons) or \$1,627.48 (105 gallons) for the purchase price of \$300 plus tax, subject to the provisions of Nobles Cooperative Electric (NCE) Rate Schedules 13, 26, 29, 41, 42, 56, and 57. Water heaters must supply hot water to the member's primary residence or primary residence on a rental property served by NCE. They must use 250 kWh each month or more to qualify. Non-residential applications are not eligible for the program.

The Cooperative will supply the above electric water heater for the purchase price of \$811 plus tax for 85 gallon unit and \$899 plus tax for 105 gallon unit, subject to the provisions of NCE Rate Schedules 35, 43, and 58.

2. **Rebate:** The Cooperative will rebate \$55 to the member after the load control is installed.
3. **Installation:** Installation of the water heater shall be on the following terms:
Plumbing: It is the Property Owner's responsibility to connect the water heater. A Contract Plumber can be provided to install the new Marathon water heater for a \$200 installation fee during regular working hours. The \$200 will pay for the Plumber picking up the water heater at NCE and delivering it to the Property Owner's location. The Plumber will remove the old water heater and install the new Marathon water heater in the same spot (with a maximum of 2 feet of pipe per cold and hot water line, using the required nipples and elbows to reconnect with a trap on the hot water side). Plumber will remove old water heater and properly dispose of it. All other material and labor is an additional cost to the member. All wiring costs, except the wiring of the control, shall be the Member's responsibility. Installation of water heater must also take place sixty (60) days from date of pick up, unless otherwise agreed upon by the Cooperative.
4. **Control:** The sealed load management control device and associated wiring is to be installed by the Cooperative and shall remain the property of NCE. Property Owner shall not tamper with, alter or modify the wiring or load management control device. The control must be mounted on the exterior of the structure in accordance with NCE specifications. The Property Owner is responsible for all additions or modifications made to the existing wiring. NCE reserves the right to control the off-peak loads as needed to promote efficient operation on NCE's system.
5. **Inspections:** NCE reserves the right to inspect off-peak equipment, the electric water heater and wiring. The Cooperative shall give notice and perform the inspection during normal business hours.
6. **Maintenance:** NCE, at the Property Owner's request, will supply necessary replacement thermostat and elements for the water heater at no charge for five years. The Property Owner shall install and maintain the provided pipe insulation for the hot water pipes at the water heater.
7. **Replacement:** Shall be governed by the water heater's manufacturer warranties.
8. **Disposal:** Any water heater replaced by the Cooperative shall be disposed of by the Property Owner at the Property Owner's expense, except if a Contract Plumber of NCE is hired.
9. **Ownership:** The Property Owner agrees not to remove or dispose of the water heater supplied by NCE pursuant to this agreement as long as this agreement is in effect. If the Property Owner should move from this location within five (5) years of installation, they must notify the Member Services Department at NCE.

10. **Termination:** Either party may terminate this agreement upon sixty (60) days written notice by first class mail to the address of the other party as it appears above. If all load management of the water heater terminates at Property Owner's request within five (5) years of installation, a termination charge shall apply. Upon termination Property Owner assumes all rewiring costs. The termination charge shall be equal to \$22.05 times the number of months less than sixty (60) that the water heater has been installed and controlled or the cost of removing the water heater if it is deemed by the Cooperative to be in excellent condition and that removing is possible. Non use of the water heater, 250 kWh or less, for a period of two (2) months shall also constitute termination.

11. **Warranties:** The Cooperative makes no warranties, express or implied, as to any water heater supplied pursuant to this agreement. Specifically, but without limitation, the Cooperative makes no warranty as to merchantability or fitness for a particular purpose. Property Owner's only recourse for damage resulting from the failure, unsatisfactory operation, prolonged control or damage of a water heater supplied by the Cooperative shall be against the manufacturer; and Property Owner hereby releases and discharges the Cooperative of and from liability that may be alleged to result from such failure.