



Comfort and Energy Use Guarantee

ENERGY USE GUARANTEE:

Advanced Energy guarantees to the Original Homeowner for the two-year period after the original homeowner purchases the home, that the energy required to heat and cool the building will not exceed the Guaranteed Usage. Guaranteed Usage will be adjusted based on changes in energy rates and in the event of unusual weather conditions for the locale of the property. Should the Actual Usage for heating and cooling exceed the Guaranteed Usage in any one-year period, Advanced Energy will reimburse the Homeowner for 100% of the cost of the difference. The Guarantee will begin on the first day of the second month after closing.

COMFORT GUARANTEE:

Advanced Energy guarantees the comfort of the Original Homeowner for two years. Comfort is defined as a temperature differential of no greater than plus or minus 3 degrees F from the thermostat location to the center of any conditioned room within the zone. Should a comfort question arise, an Advanced Energy agent will evaluate the situation. Advanced Energy's responsibility will be limited to repairing any defects in the building's original envelope.

HOMEOWNER RESPONSIBILITIES:

In order to maintain this guarantee, the Homeowner agrees to:

1. Prudent use of windows and doors when HVAC system is in operation.
2. Operate and service heating, cooling, and ventilation (HVAC) systems as recommended by the manufacturer. Change HVAC and ventilation filters according to manufacturer recommendations.
3. Maintain thermostat settings no higher than 72 degrees F during the heating season and no lower than 76 degrees F during the cooling season.
4. Apprise Advanced Energy of any alterations or modifications to the property, facilities, equipment or occupancy that affect energy consumption so that appropriate adjustments can be made to the Guaranteed Usage. An additional fee will be required to evaluate or modify the Guaranteed Usage.
5. Submit a completed Bill Release Form within 30 days of occupancy to Advanced Energy to activate the guarantee.
6. Submit any claims in writing with copies of monthly energy billing information to Advanced Energy within 30 days of the end of each annual period of the guarantee. Send to Advanced Energy, Guarantee Dept., 909 Capability Drive, Suite 2100, Raleigh, NC 27606.

ANNUAL ACCOUNT ANALYSIS:

Upon receipt of claim with energy billing information, Advanced Energy will prepare and return to the Homeowner an account analysis showing any reimbursement the Homeowner may be entitled to according to the guarantee. At its discretion Advanced Energy agents may inspect, meter or make repairs as necessary to lower the energy requirements for heating and cooling in the future. Heating and Cooling usage will be calculated by the following method: 1) The Base Load will be the average energy used for the three lowest months of full occupancy, multiplied times twelve; 2) Adjustments will be made for exceptional energy loads such as pools and hot tubs, 3) The total annual bill minus the annual base load minus adjustments = the heating and cooling bill.

LIMITATIONS:

Advanced Energy shall not be liable for any incidental or consequential damages resulting from breach of this Energy Use Guarantee other than expressly stated above, or any express or implied guarantee arising under state law. Guaranteed Usage will be adjusted based on changes in energy rates and in the event of unusual weather conditions for the locale of the property. The Advanced Energy Use Guarantee will not apply if excessive energy use results from the malfunction of heating, ventilation, and cooling equipment or failure of the Homeowner to fulfill all Homeowner Responsibilities. The Homeowner understands that Advanced Energy makes no warranties which extend beyond the warranty described hereof, including any express or implied warranties of merchantability or fitness for purpose. Without limiting the general disclaimers above, Advanced Energy makes no representations or warranties of any kind, express or implied, to anyone with respect to indoor Radon and Air Quality concerns.

Some Facts about the Energy Guarantee

- 1) We guarantee the amount of energy you will use—kilowatt hours of electricity, therms of natural gas, gallons of propane or oil.
- 2) Since most people think about their bills in terms of dollars, rather than kilowatt hours or gallons or whatever, we express our guarantees in terms of dollars. This is based on the current prices at your location. If your local electric company or gas company raises its rates, obviously that has nothing to do with how the house was constructed. We will, then, adjust the guarantee to the new rates. We will not, however, change the amount of energy in the guarantee unless you significantly change the house or equipment.
- 3) We guarantee the heating and cooling portion of your energy bills—not the entire bill. Obviously, how well the house is built has nothing to do with how much hot water you use, whether you turn the lights off, how many loads of laundry you do, etc. So your actual bill each month will always be higher than what we guarantee, unless you have no refrigerator, lights, TV, hot water, computer, etc.
- 4) We calculate the heating and cooling portions of your bill as follows:
 - Take the three lowest months (usually April, May, October). These are months when there is almost no heating or cooling. Add them up.
 - Divide that number by 3. That gives us an average monthly energy use when there is almost no heating or cooling. We call this the “base load,” or the part of your bill for everything other than heating & cooling.
 - Multiply that number by 12. This gives us the annual base load.
 - Subtract that number from your total annual bill. That gives us the annual heating and cooling portion.
 - Divide that number by 12. That gives us the average monthly heating and cooling bill.
- 5) Since few people think about their energy bills on a yearly basis, we usually talk about the guarantee in terms of “average monthly heating and cooling,” so that people can relate to it. The average monthly bill is simply the annual bill [for heating and cooling] divided by 12.
- 6) The guarantee is for two years. Our experience is that if the house works well for two years, it will continue to work well and there’s no point in charging extra money to “extend” the guarantee.