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 percent of the cost difference. The guarantee will begin on the first day of the second month after closing.

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 the heating, ventilation and air conditioning (HVAC) systems as recommended by the manufacturer. Change HVAC and ventilation filters according to the manufacturer's recommendations.
3. Maintain thermostat settings no higher than 72 degrees Fahrenheit during the heating season and no lower than 76 degrees Fahrenheit 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 any claims in writing with copies of monthly energy billing information within 30 days of the end of each annual period of the guarantee. Send claims to Advanced Energy, System Vision Guarantee Department, 909 Capability Drive, Suite 2100, Raleigh, NC 27606. You may also email copies of energy bills to systemvision@advancedenergy.org.

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 12; (2) adjustments will be made for exceptional energy loads such as pools and hot tubs; and (3) the total annual bill minus the annual base load minus adjustments equals 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 expressed 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.

This Energy Use Guarantee will not apply if excessive energy use results from the malfunction of heating, ventilation and air conditioning 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 expressed 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, expressed or implied, to anyone with respect to indoor radon and air quality concerns.

SOME FACTS ABOUT THE ENERGY USE GUARANTEE

- Advanced Energy guarantees the amount of energy you will use—kilowatt hours of electricity, therms of natural gas, gallons of propane or oil.
- Since most people think about their bills in terms of dollars, rather than kilowatt hours or gallons or whatever, Advanced Energy expresses its 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.
- Advanced Energy calculates the heating and cooling portions 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. Your actual bill each month will always be higher than what we guarantee, unless you have no refrigerator, lights, TV, hot water, computer, etc.
- Advanced Energy calculates the heating and cooling portions of your bill as follows:
  » Take the three lowest months (usually April, May and October).
  » These are months when there is almost no heating or cooling.
  » Add them up.
  » Divide that number by 3.
  » This 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 and cooling.
  » Multiply that number by 12.
  » This gives us the annual base load.
  » Subtract that number from your total annual bill.
  » This gives us the annual heating and cooling portion.
  » Divide that number by 12.
  » This gives us the average monthly heating and cooling bill.
- Since few people think about their energy bills on a yearly basis, Advanced Energy usually talks 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. 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.

FOR MORE INFORMATION, CALL YOUR BUILDER OR HOUSING COUNSELOR.