Welcome, Rappahannock Electric Cooperative ("REC" or "Cooperative") member, to the Vividly Brighter Thermostat Program! The Vividly Brighter Thermostat Program ("Program") allows you to participate in a program through which you may receive incentives for your continued enrollment.

REC has coordinated with Virtual Peaker ("DERMS Provider"), a company that offers distributed energy resource management systems (DERMS), to offer services allowing the scheduling and management of limited duration control of Smart Thermostat devices enrolled into the Program.

By submitting your enrollment information for consideration for acceptance to participate in the Program, you ("Member" or "you/your") acknowledge and confirm that you:

1. Have read and understand this Agreement and the terms for participation in the Program;
2. Have read, understand, and agreed to comply with the terms of the Smart Thermostat Program – Schedule CT Rider Agreement, the applicable REC tariff, REC's terms for participation in the Program, and REC's Rules, Regulations and Line Extension Policies all of which are incorporated herein by reference;
3. Have read, understand, and agreed to Virtual Peaker's Terms and Conditions, as they may be updated from time to time, which are incorporated herein by reference as made available here
4. Agree to allow REC to remotely inform your Smart Thermostat device of the existence of a demand response event, causing the device to automatically change the temperature setpoint in your home without any manual intervention by you;
5. Consent to share your personal information with REC and Virtual Peaker solely for the purposes identified below;
6. Remain responsible for maintenance, repair, and replacement of the device system, at your own expense, including facilitating and maintaining a Wi-Fi connection; and
7. Understand that the Program's eligibility requirements and incentives may be modified, or the Program may be terminated at any time and for any reason.

**General Information:**

The Program is a voluntary program made available to REC's residential electric members (as limited by and subject to the terms of the applicable Tariff and/or Rider) for the purpose of managing energy demands in the pursuit of lowering energy costs and providing cost-effective, sustainable energy solutions. To apply for enrollment in the Program, visit www.myrec.coop/thermostats.

Through participation in the Program, eligible members will have the opportunity to earn an incentive by allowing REC to utilize their smart thermostat during time periods when demand for electricity is projected to be at its highest (such periods, hereinafter referred to as an "Event").

For your participation in the Program and full compliance with the terms and conditions, REC will provide you with the incentives described herein.

Below are important terms that you must understand and agree to in order to participate in the Program:

**Participant Eligibility:**

This is a voluntary program for the Cooperative's eligible residential electric members. To be eligible for the Program, in addition to agreeing to this Agreement and any all applicable tariffs, riders, rules, terms and conditions, you must: (1) have an electric service account with REC; (2) have an installed, operable, and eligible Smart Thermostat controlling your air conditioning units, at your service address (REC shall have sole discretion to determine the number of thermostats that are eligible for incentives); and (3) maintain the air conditioning equipment and Smart Thermostat unit as the primary cooling and heating control system(s) at your service address (4) have a MyREC SmartHub account.

**Eligible Smart Thermostats:**

To participate in the Program, eligible residential electric members must enroll a Smart Thermostat that is compatible with REC's DERMS Provider. A current list of eligible thermostat manufacturers and models is maintained on REC's website at www.myrec.coop/thermostats and may be updated periodically.

Eligible Smart Thermostat manufacturers currently include:

- Google Nest
- Ecobee
- Honeywell Home / Resideo
- Amazon Smart Thermostat
- Sensi

REC reserves the right to add or remove eligible thermostat manufacturers and models at any time based on compatibility, manufacturer support, or Program requirements.

**Program Incentives:**

Eligible participants may receive Program incentives as established by REC and described in the applicable tariff and/or rider.

At the time of enrollment, the Program includes:

1. A one-time $25 enrollment rebate for eligible members upon successful enrollment and verification of an eligible smart thermostat.
2. A $40 annual participation incentive for each eligible account that remains actively enrolled and compliant with the Program requirements.

Program incentives will be issued as an on-bill credit to the participating REC account. The enrollment rebate will be applied following successful enrollment and verification of eligibility. The annual participation incentive will be applied annually to eligible accounts that remain in compliance with the Program requirements.

Only one enrollment rebate and one annual participation incentive are available per eligible member account/service location, regardless of the number of eligible Smart Thermostats enrolled.

To remain eligible for the annual participation incentive, the enrolled Smart Thermostat(s) must remain connected, capable of communicating with the DERMS Provider, and available to participate in Events. REC reserves the right to withhold or discontinue incentives if Program requirements are not met. You understand that if you opt out or override an Event's control settings, you may impact your right to receive incentives and/ or jeopardize your program eligibility. To avoid being deemed to have opted out or overridden an Event's control settings, the Smart Thermostat must participate in 60% of event minutes per Event.

REC reserves the right to modify Program incentive amounts, payment timing, or payment method in accordance with the applicable tariff and Program requirements.

**Device Connectivity and Access for REC:**

To participate, you must allow REC access to control your enrolled Smart Thermostat(s). You are responsible for acquiring and maintaining: (i) a working and reliable internet connection and Wi-Fi network (if device requires Wi-Fi) and other related equipment in your home that is positioned to communicate reliably; (ii) an internet service provider ("ISP") providing reliable service; (iii) other system elements that may be specified as required by REC or the manufacturer of any required equipment (i.e. smart phone apps and active accounts with the smart thermostat manufacturer). You are responsible for all costs

for the device, internet connection, system elements, and for all fees charged by the ISP in connection with participation in the Program. You agree to use best efforts to maintain and repair your Wi-Fi, internet service, system elements, thermostat, and air conditioning equipment to keep it/them in satisfactory operating condition.

You must satisfy these requirements for as long as you are enrolled in the Program, using best efforts to maintain connectivity of your Smart Thermostat, and to ensure it is online and able to be called upon during an Event. Your participation in the Program may be terminated in the event that REC is unable to communicate with or access your Smart Thermostat, and communication or access is not restored within thirty (30) days. If communication or access is restored at a future date, you may re-enroll if the Program is accepting new participants at that time and REC approves your re-enrollment, at its sole discretion.

**Program Modification or Termination:**

Upon notice to you, REC may modify or terminate the Program at any time and for any reason including, but not limited to, changes in applicable law or regulatory requirements; decision of the Cooperative's board of directors to modify or discontinue the Program; the Smart Thermostat manufacturer changes or discontinues support for the Program. You may not receive further Program incentives after such termination of the Program.

**Control of Device:**

You acknowledge and agree that REC may control your Smart Thermostat device(s) in your home to remotely trigger an event that will cause your Smart Thermostat to automatically change the temperature set point (both up and down as described in the applicable Rider and within these Program Terms) on that day, without any manual intervention by you. You will have the ability to opt out of Event control and override any adjustment made by REC; by setting your Smart Thermostat to a different temperature or, where supported by your Smart Thermostat manufacturer, by using the mobile or web application you regularly use with your Smart Thermostat. You understand that if you opt out or override an Event's control settings, you may impact your right to receive incentives and/or jeopardize your Program eligibility. Events may take place during periods identified in the Program rider, rate, and/or tariff, and as described below.

Events are identified and called at REC's sole discretion. Events may be called during the "Program Season" (June 1–September 30 and November 1–March 1) and are subject to the following criteria:

For All Smart Thermostats (Please review tariff and/or rider on REC's website for any updates or changes):

1. Maximum of four (4) hours per Event
2. Any day of the week including weekends and holidays
3. Smart Thermostat(s) may be increased up to four (4) degrees above initial set point during the duration of each Event in the Summer (June 1–September 30) months
4. Smart Thermostat(s) may be decreased up to four (4) degrees below initial set point during the duration of each Event in the Winter (November 1–March 1) months
5. Smart Thermostat will be returned to its initial set point at the conclusion of the Event
6. Events may occur on consecutive days with no limitations during Program Season months

You authorize REC to contact you by email, phone, text, push notification, and other means for items and issues related to the Program. REC shall have discretion to determine the method for notice.

**Event Notifications:**

REC will not provide participating Members with advance notification of Events. Participants acknowledge and understand that notifications regarding Events may be provided directly by their thermostat manufacturer through the manufacturer's mobile application, thermostat display, email, push notification, or other available communication method. The type, timing, and availability of such notifications may vary by Smart Thermostat manufacturer and device.

By participating in the Program, Members acknowledge and agree that REC is not responsible for providing Event notifications or for the delivery, timing, or availability of notifications provided by the Smart Thermostat manufacturer.

**Data Access, Usage and Sharing:**

By submitting your enrollment information for consideration to participate in the Program, You authorize REC, DERMS Provider, and their respective agents, contractors, and service providers, to collect, review, and share your personal information or data related to your enrollment and participation in the Program, which can include but is not necessarily limited to your name, email address, service address, utility account number, thermostat serial number, activation date, your enrollment information, statistics and data about your energy use, any opt out decisions or actions by you, or other information related to your participation in the Program. Any personal information or data collected by REC or the DERMS Provider during the course of the Program will be used for administering the Program, planning purposes, analysis, and reporting on the Program pursuant to this Agreement. This information will also be used by REC and the DERMS Provider for

administration, evaluation, and reporting on the Program, and analyzing the need for other programs and options and verifying the size, scope and activity of the Program.

You agree that information about your service account, energy usage, and devices connected to your service account, as well as any information you provide while applying for the Program or that is related to the Program may be shared by REC and the DERMS Provider for the purpose of ensuring enrollment eligibility, compliance with Program requirements, and analyzing and reporting on Program performance data.

REC and the DERMS Provider may summarize or provide information about the results of the Program in publicly available studies or reports, including but not limited to reports to REC's balancing authority, energy market regulators, or other regulatory entities. In such case, data will be anonymized in a way that you cannot be individually identified. By signing up to participate in the Program, you consent to this information being accessed and provided to or by REC, the DERMS Provider, and/or their respective agents, contractors, and service providers.

**Enrollment and Term:**

Agreement with these terms and conditions shall be effective commencing on your submission of enrollment information and continue in effect with automatic renewal unless or until terminated by either party. Either party may terminate this Agreement for any reason by providing the other party written or notice by telephone to the other party. Participation in the Program is voluntary, and you may withdraw from the Program at any time. Withdrawal may render you ineligible to receive Program incentives or to participate in the Program in the future. You may provide written or notice by telephone of your withdrawal from the Program to REC at 800-552-3904 and/or vividlybrighter@myrec.coop.

If you violate the terms and conditions of this Agreement, the Cooperative may immediately terminate your participation in the Program and may elect to disqualify you from eligibility incentives and/or future participation in the Program.

**Limitation of Liability:**

1. **Program Operation; Override Right**. By participating in the Program, you understand and acknowledge that REC may adjust your Smart Thermostat's temperature settings. Such adjustments will likely result in your home being colder or warmer, depending on the season. Accordingly, your home may be less comfortable during an Event. You may override any adjustment at any time by adjusting your Smart Thermostat (on the device or in its app). You are solely responsible for overriding an Event if you, a household member, or a pet has a health condition or there are property conditions (for example, a

risk of frozen pipes) that makes a temperature change unsafe or unadvisable given the circumstances.

2. **Exclusion of Certain Damages**. To the maximum extent permitted by applicable law and except in the event caused by the gross negligence or fraud of an REC Party (as defined below), no REC Party will be liable to you for any indirect, incidental, special, consequential, exemplary, or punitive damages, or for loss of use, loss of data, or discomfort, arising out of or relating to your participation in the Program, your Smart Thermostat, or device system. This limitation applies even if the REC Party was made aware of the potential for such damages was possible.
3. **Equipment**. Except to the extent that damage is caused by the gross negligence or willful misconduct of an REC Party, REC is not responsible for the cost of repairing, maintaining, or replacing your Smart Thermostat device system, heating or air-conditioning system, Wi-Fi or internet service. At all times, your equipment remains your responsibility.
4. **Cap on Liability**. The total liability of all REC Parties to you for all claims arising out of or relating to the Program or your participation therein will not exceed the total amount of incentives paid or credited to you under the Program in the twelve (12) months immediately proceeding the event that gave rise to the claim.
5. **Definitions**. As used in this agreement, "REC Party" means REC, its subsidiaries, affiliates and their respective directors, officers, employees, agents and any third parties that REC engages to administer, implement or support the Program.

**Indemnification:**

1. **Generally.** To the extent permitted by applicable law, you agree to indemnify and hold harmless the REC Parties from and against any claims, demands or actions brought by a third party (including any occupant of, or visitor to, the premises) and related losses, damages, and reasonable costs and attorneys' fees (collectively "Claims"), to the extent the Claims arise from (i) your breach of the terms and conditions of this agreement, (ii) the negligent or wrongful acts or omissions of you or your household members, tenants, guests, agents or contractors or (iii) your failure to override an automatic adjustment to temperature during an Event, when you knew or reasonably should have known, that the temperature adjustment was

unsafe for any occupants (including pets in the home) or was likely to result in property damage.

2. **Procedure.** REC will provide you with prompt written notice of any Claims for which it seeks indemnification. You will not settle any Claims in a manner that imposes any obligation on, or admits any fault by, an REC Party without REC's prior written consent.
3. **Survival**. Your obligations under this section survive the termination of your participation in the Program as to Claims arising from events that occurred during your participation.

**General Provisions:**

This Agreement is governed and construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to its choice of law provisions. This Agreement supersedes any prior agreements and contains the entire agreement of the Parties and all representations with respect to the subject matter hereto. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement. The waiver of any of the rights or remedies arising pursuant to this Agreement on any occasion by any Party shall not constitute a waiver of any rights or remedies in respect to any subsequent breach or default of the terms of this Agreement. Any dispute arising in relation to this Agreement shall be subject to the dispute resolution procedures outlined in REC's Terms and Conditions filed with the Virginia State Corporation Commission. Nothing in this agreement limits your right to file a complaint with, or take part in a proceeding before, the Virginia State Corporation Commission, or any other government agency, about REC's rates, charges, terms of service, or Program incentives.