



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

1011 Plum St SE • PO Box 42525 • Olympia, Washington 98504-2525 • (360) 725-4000
www.commerce.wa.gov

5/24/2022

Energy Northwest
Attn: Richard Shaff, Business Support Manager
POB 968
MD 1035
Richland, WA 99352

RE: Grid Modernization (GRID2021) Grant # 21-92201-028

Dear Richard Shaff,

Attached is the contract for a grant under the Clean Energy Fund. This contract details the terms and conditions that will govern the agreement between us. Please review the Program Specific, Special and General Terms and Conditions of the contract carefully. We recommend consulting with your legal advisor before accepting this offer.

Please use the DocuSign process to review and sign the contract. The Washington State Department of Commerce (Commerce) must receive the signed contract within 60 calendar days of the date of this letter. Failure to return the contract within this timeline may result in your project being delayed.

After the contracts have been fully executed by Commerce, the scanned original, along with instructions for invoicing and reporting will be emailed to you. If a hard copy is preferred, please indicate so upon return of the signed contract. We encourage you to store all pertinent documents associated with this project and grant offer in a file that is readily accessible to auditors for their periodic review.

A requirement of this program is that you must maintain updated project records as well as ensure current liability insurance documents are sent to Commerce annually.

We look forward to working with you over the course of your successful project. If you have any questions about this contract, please contact us.

Sincerely,

Hans Berg
Washington State Department of Commerce
360-528-7063
cef@commerce.wa.gov



Services Agreement with

Energy Northwest

through

Grid Modernization Grant Program

For

Advanced Grid Interactive Load Efficiency (AGILE)

Start date: May 15, 2022

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FACE SHEET
Contract Number: #21-92201-028
Washington State Department of Commerce
Energy Division – Grid Modernization Program

1. Grantee Energy Northwest POB 968 MD 1035 Richland, WA 99352		2. Grantee Doing Business As (optional) N/A	
3. Grantee Representative Ross Rebich Project Developer 509-372-5540 rgrebich@energy-northwest.com		4. Commerce Representative (State Energy Office) Hans Berg 360-528-7063 cef@commerce.wa.gov PO Box 42525 1011 Plum St SE Olympia, Washington 98504-2525	
5. Contract Amount \$149,983	6. Funding Source Federal: <input type="checkbox"/> State: <input checked="" type="checkbox"/> Other: <input type="checkbox"/> N/A: <input type="checkbox"/>	7. Start Date 5/15/2022	8. End Date 6/30/2023 (provided funds are re-appropriated into the next biennium)
9. Federal Funds (as applicable) NA		10. Federal Agency NA	
12. 10. Tax ID # 91-6018049	13. 11. SWV # SWV0217844-00	14. 12. UBI # 034-003-333	15. UEI # M8ZWBTC4V4H5
16. Contract Purpose <p>To investigate, co-create and complete preliminary design for grid-interactive efficient buildings for Aberdeen and Hoquiam school districts and The Evergreen State College. Grid-interactive efficient buildings are also called “smart buildings” because they automatically respond to times of peak demand on the power grid to reduce energy use to keep costs down while maintaining comfort of people inside.</p> <p>COMMERCE, defined as the Department of Commerce and Grantee acknowledge and accept the terms of this Contract and attachments and have executed this Contract on the date below to start as of the date and year referenced above. The rights and obligations of both parties to this Contract are governed by this Contract and the following other documents incorporated by reference: Grantee Terms and Conditions including Attachment “A” – Scope of Work, Attachment “B” – Budget, Attachment “C” – Reporting, Attachment “D” - Budget Proviso Language, and Attachment “E” – Site List.</p>			
FOR GRANTEE DocuSigned by:  Richard Shaff, Business Support Manager 6/1/2022 8:41 AM PDT Date		FOR COMMERCE DocuSigned by:  Michael Furze, Assistant Director, Energy Division 6/4/2022 8:13 AM PDT Date APPROVED AS TO FORM ONLY BY ASSISTANT ATTORNEY GENERAL APPROVAL ON FILE	

DECLARATIONS

The Washington State Department of Commerce (Commerce) has been appropriated funds under Sections 1035 (4) and 6006 (5) of Substitute House Bill 1102 to provide grants for the deployment of grid modernization projects that advance clean and renewable energy technologies, and transmission and distribution control systems; that support integration of renewable energy sources, deployment of distributed energy resources, and sustainable microgrids; and that increase utility customer options for energy sources, energy efficiency, energy equipment, and utility services.

CLIENT INFORMATION

Legal Name:	Energy Northwest
Contract Number:	#21-92201-028
Award Year:	2021

PROJECT INFORMATION

Project Title:	Advanced Grid Interactive Load Efficiency (AGILE)
Project Address:	See Attachment "E" – Site List

GRANT INFORMATION

Maximum Percent from Commerce	50% of eligible costs
Type of Match Accepted:	Cash, In-kind
Earliest Date for Reimbursement:	5/15/2022
Time of Performance	5/15/2022 – 6/30/2023

PROGRAM SPECIFIC TERMS AND CONDITIONS GOVERNING THIS GRANT

As identified herein, notwithstanding General and Special Terms and Conditions Sections, the following Program Specific Terms and Conditions are incorporated or take precedence over any similarly referenced Special or General Terms and Conditions:

1. **INTELLECTUAL PROPERTY PROVISIONS**

All work product including, without limitation, capital asset and any object or source code for any software developed pursuant to or in connection with this contract, as well as any copyrights, patents, trade secrets, trademarks or other intellectual property developed for or in connection with this Contract, shall be exclusively owned by and be the exclusive property of Grantee and/or its Subcontractors (as determined between Grantee and its Subcontractors).

COMMERCE reserves the right to request a nonexclusive, royalty-free, irrevocable license and right to translate, reproduce, sublicense on the terms set forth herein, prepare derivative works, publicly perform, and publicly display such work product, provided that any proprietary and confidential information shall be clearly marked as such and shall be protected from disclosure (except to the extent otherwise required by law) as more fully set forth in Section 10 of the General Terms and Conditions.

2. **INSURANCE (REPLACES SPECIAL TERMS AND CONDITIONS #1.4)**

The Grantee shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect the State should there be any claims, suits, actions, costs, damages or expenses arising from any loss, or negligent or intentional act or omission of the Grantee or Subcontractor, or agents of either, while performing under the terms of this contract.

The insurance required shall be issued by an insurance company authorized to do business within the state of Washington. The insurance shall name the state of Washington, its agents, officers, and employees as additional insureds under the insurance policy. All policies shall be primary to any other valid and collectable insurance. The Grantee shall instruct the insurers to give COMMERCE thirty (30) calendar days advance notice of any insurance cancellation, non-renewal or modification.

The Grantee shall submit to COMMERCE within fifteen (15) calendar days of a written request by COMMERCE, a certificate of insurance, which outlines the coverage and limits defined in this insurance section. During the term of the Contract, the Grantee shall submit renewal certificates not less than thirty (30) calendar days prior to expiration of each policy required under this section.

The Grantee shall provide insurance coverage that shall be maintained in full force and effect during the term of this Contract, as follows:

Commercial General Liability Insurance Policy. Provide a Commercial General Liability Insurance Policy, including contractual liability, written on an occurrence basis, in adequate quantity to protect against legal liability arising out of contract activity but no less than \$1,000,000 per occurrence. Additionally, the Grantee is responsible for ensuring that any Subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

3. SCOPE OF WORK, AMENDMENTS, AND MODIFICATIONS (REPLACES GENERAL TERMS AND CONDITIONS #2.4)

In the event that the Scope of Work, methodologies for accomplishing the scope, milestone, and/or budget are adjusted from those incorporated into this contract by attachment, the Grantee must request approval and an amendment to this contract. In the event that the Scope of Work, methodologies for accomplishing the scope, milestone, and/or budget are adjusted from those incorporated into this contract by attachment, the Grantee must request approval and an amendment to this contract. The Grantee must provide Commerce with a written request detailing the proposed change prior to implementation. Proceeding with changes to the Scope of Work prior to gaining the express written approval from Commerce may be considered a substantive breach of contract and may result in suspension of payment until breach is cured or termination for cause.

Commerce shall review and approve changes to scope of work, requested amendments, and/or modifications to this contract within thirty (30) calendar days of receipt of all necessary information.

4. COPYRIGHT PROVISIONS (REPLACE GENERAL TERMS & CONDITIONS #2.10)

Provided that the deliverables required under the Scope of Work are produced in substantial compliance with the Project Timeline and Milestones COMMERCE disclaims any ownership interest in all other Materials produced under this Contract, and "Work Product" including, without limitation, document, data, studies, surveys, drawings, maps, photographs and any objects or source code for any software developed pursuant to or in connection with this Contract, as well as any copyrights, patents, trade secrets, trademarks or other intellectual property developed for or in connection with this Contract, shall be exclusively owned by and be the exclusive property of Grantee and/or its Subcontractors (as determined between Grantee and its Subcontractors).

Notwithstanding the foregoing, COMMERCE shall have a nonexclusive, royalty-free, irrevocable license and right to translate, reproduce, sublicense on the terms set forth herein, prepare derivative works, publicly perform, and publicly display the Project Reports (as defined below).

"Project Reports" mean the project implementation reports and other information required to be submitted by Grantee to COMMERCE under the Scope of Work herein. Project Reports will not contain Confidential Information or Work Product.

5. PUBLICITY (REPLACES GENERAL TERMS AND CONDITIONS SECTION #2.23)

The Grantee will make reasonable efforts to notify Commerce of potential publicity, including but not limited to media coverage, site signage, and public events. The Grantee agrees to include references to Commerce or the Electrification of Transportation Grants Program as requested and approved by Commerce. The Grantee agrees to include Commerce or the Electrification of Transportation Grants program as a project funder. The Grantee agrees to notify and invite Commerce to any public events relating to this project, including but not limited to ground breaking ceremonies, ribbon cuttings, and public tours.

Grantee will allow Commerce to publicly share information on the project that is included in the application and contract. All other information shared will be coordinated with the Grantee, unless related to PUBLIC RECORDS ACT.

Unless addressed above, the Grantee agrees not to publish or use any advertising or publicity materials in which the state of Washington or COMMERCE's name is mentioned, or language used from which the connection with the state of Washington's or COMMERCE's name may reasonably be inferred or implied, without the prior written consent of COMMERCE.

6. SUBCONTRACTING (REPLACES GENERAL TERMS AND CONDITIONS #2.30)

The Grantee may only subcontract work contemplated under this Contract if it provides written notification to COMMERCE of any subcontractors who will be performing work under this Grant Agreement. The written notice must provide the names and address of the subcontractor with a brief description of which tasks within the Grantee Scope of Work (Attachment A) that will be undertaken by the subcontractor(s).

The Grantee shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, COMMERCE in writing may: (a) require the Grantee to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Grantee from subcontracting with a particular person or entity; or (c) require the Grantee to rescind or amend a subcontract.

Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Grantee is responsible to COMMERCE if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Grantee shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Grantee to COMMERCE for any breach in the performance of the Grantee's duties.

Every subcontract shall include a term that COMMERCE and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.

7. TERMINATION PROCEDURES (REPLACES GENERAL TERMS & CONDITIONS #2.35)

COMMERCE shall pay to the Grantee the agreed upon price, if separately stated, for completed work and services accepted by COMMERCE, and the amount agreed upon by the Grantee and COMMERCE for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services that are accepted by COMMERCE, and (iv) the protection and preservation of property, unless the termination is for default, in which case the Authorized Representative shall determine the extent of the liability of COMMERCE. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. COMMERCE may withhold from any amounts due the Grantee such sum as the Authorized Representative determines to be necessary to protect COMMERCE against potential loss or liability.

The rights and remedies of COMMERCE provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the Authorized Representative, the Grantee shall, except to the extent Grantee desired to continue work for its own account and when communicated in writing to Commerce:

1. Stop work under the contract on the date, and to the extent specified, in the notice;
2. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;
3. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Authorized Representative to the extent the Authorized Representative may require, which approval or ratification shall be final for all the purposes of this clause;
4. Transfer title to COMMERCE and deliver in the manner, at the times, and to the extent directed by the Authorized Representative any property which, if the contract had been completed, would have been required to be furnished to COMMERCE;
5. Complete performance of such part of the work as shall not have been terminated by the Authorized Representative; and
6. Take such action as may be necessary, or as the Authorized Representative may direct, for the protection and preservation of the property related to this contract, which is in the possession of the Grantee and in which COMMERCE has or may acquire an interest.

8. TREATMENT OF ASSETS (REPLACES GENERAL TERMS AND CONDITIONS #2.36)

The parties do not anticipate that Commerce will furnish property (other than the state funds granted herein) to Grantee for use in Grantee's performance under this Contract; provided, however, that title to any other property that may be so furnished by COMMERCE shall remain in COMMERCE.

- A. Any property of COMMERCE furnished to the Grantee shall, unless otherwise provided herein or approved by COMMERCE, be used only for the performance of this contract.
- B. The Grantee shall be responsible for any loss or damage to property of COMMERCE that results from the negligence of the Grantee or which results from the failure on the part of the Grantee to maintain and administer that property in accordance with sound management practices.
- C. If any COMMERCE property is lost, destroyed or damaged, the Grantee shall immediately notify COMMERCE and shall take all reasonable steps to protect the property from further damage.
- D. The Grantee shall surrender to COMMERCE all property of COMMERCE prior to settlement upon completion, termination or cancellation of this contract

All reference to the Grantee under this clause shall also include Grantee's employees, agents or Subcontractors

SPECIAL TERMS AND CONDITIONS

STATE FUNDS

1.1 CONTRACT MANAGEMENT

The Representative for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Contract.

The Representative for COMMERCE and their contact information are identified on the Face Sheet of this Contract.

The Representative for the Grantee and their contact information are identified on the Face Sheet of this Contract.

1.2 COMPENSATION

Commerce shall pay an amount not to exceed the amount shown as grant amount on the Contract Face Sheet for the performance of all things necessary for or incidental to the performance of work as set forth in the scope of work.

Grantee's compensation for services rendered shall be based on the schedule set forth in Attachment "B" – Budget.

1.3 BILLING PROCEDURES AND PAYMENT

COMMERCE will pay Grantee upon acceptance of services provided and receipt of properly completed invoices for completed milestones.

The Grantee shall provide the Representative of COMMERCE a signed electronic Invoice A19 form that includes the contract number referenced on the declarations page.

The invoices shall describe and document, to COMMERCE's satisfaction, a description of the work performed and the milestone number(s) achieved.

The Grantee is required to maintain documentation to support invoiced costs and cost share obligations. The Grantee shall make these documents available to COMMERCE if requested.

COMMERCE will pay Grantee the amounts set forth in Attachment B upon full completion of each Milestone. Upon full completion of each Milestone, Grantee will provide an invoice and any required supporting documentation to the Representative of COMMERCE. Except as may be agreed by COMMERCE in its discretion, COMMERCE shall only be obligated to make payments upon demonstration of completion of all Deliverables within a given Milestone. However, it is acknowledged that in the event one or two Deliverables of a Milestone is unduly delayed (more than 3 months) due to circumstances outside Grantee's control, COMMERCE may, in its sole discretion, reasonably negotiate with Grantee regarding paying for those Deliverables of such Milestones that are completed.

Payment shall be considered timely if made by COMMERCE within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Grantee.

COMMERCE may, in its sole discretion, terminate the contract or withhold payments claimed by the Grantee for services rendered if the Grantee fails to comply with any term or condition of this contract, in accordance with General Terms and Conditions Sections 40-42.

No payments in advance or in anticipation of services or supplies to be provided under this contract shall be made by COMMERCE.

Invoices and End of Fiscal Year

Invoices are due on the 20th of the month following the completion of a milestone.

Final invoices for a state fiscal year may be due sooner than the 20th and Commerce will provide notification of the end of fiscal year due date.

Duplication of Billed Costs

The Grantee shall not bill COMMERCE for services performed under this Agreement, and COMMERCE shall not pay the Grantee, if the Grantee is entitled to payment or has been or will be paid by any other source, including grants, for that service.

Disallowed Costs

The Grantee is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

1.4 INSURANCE

This section is superseded by Program Specific Terms and Conditions #2.

~~The Grantee shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect the State should there be any claims, suits, actions, costs, damages or expenses arising from any loss, or negligent or~~

~~intentional act or omission of the Grantee or Subcontractor, or agents of either, while performing under the terms of this contract. Failure to maintain the required insurance coverage may result in termination of this Contract.~~

~~The insurance required shall be issued by an insurance company authorized to do business within the state of Washington. Except for Professional Liability or Errors and Omissions Insurance, the insurance shall name the state of Washington, its agents, officers, and employees as additional insureds under the insurance policy. All policies shall be primary to any other valid and collectable insurance. The Grantee shall instruct the insurers to give COMMERCE thirty (30) calendar days advance notice of any insurance cancellation, non-renewal or modification.~~

~~The Grantee shall submit to COMMERCE within fifteen (15) calendar days of a written request by COMMERCE, a certificate of insurance which outlines the coverage and limits defined in this insurance section. During the term of the Contract, if required or requested, the Grantee shall submit renewal certificates not less than thirty (30) calendar days prior to expiration of each policy required under this section.~~

~~The Grantee shall provide, at COMMERCE's request, copies of insurance instruments or certifications from the insurance issuing agency. The copies or certifications shall show the insurance coverage, the designated beneficiary, who is covered, the amounts, the period of coverage, and that COMMERCE will be provided thirty (30) days advance written notice of cancellation.~~

~~The Grantee shall provide insurance coverage that shall be maintained in full force and effect during the term of this Contract, as follows:~~

~~**Commercial General Liability Insurance Policy.** Provide a Commercial General Liability Insurance Policy, including contractual liability, written on an occurrence basis, in adequate quantity to protect against legal liability arising out of contract activity but no less than \$1,000,000 per occurrence. Additionally, the Grantee is responsible for ensuring that any Subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.~~

~~**Automobile Liability.** In the event that performance pursuant to this Contract involves the use of vehicles, owned or operated by the Grantee or its Subcontractor, automobile liability insurance shall be required. The minimum limit for automobile liability is \$1,000,000 per occurrence, using a Combined Single Limit for bodily injury and property damage.~~

~~**Professional Liability, Errors and Omissions Insurance.** The Grantee shall maintain Professional Liability or Errors and Omissions Insurance. The Grantee shall maintain minimum limits of no less than \$1,000,000 per occurrence to cover all activities by the Grantee and licensed staff employed or under contract to the Grantee. The state of Washington, its agents, officers, and employees need *not* be named as additional insureds under this policy.~~

~~**Fidelity Insurance.** Every officer, director, employee, or agent who is authorized to act on behalf of the Grantee for the purpose of receiving or depositing funds into program accounts or issuing financial documents, checks, or other instruments of payment for program costs shall be insured to provide protection against loss:~~

~~**A.** The amount of fidelity coverage secured pursuant to this Contract shall be \$100,000 or the highest of planned reimbursement for the Contract period, whichever is lowest. Fidelity insurance secured pursuant to this paragraph shall name COMMERCE as beneficiary.~~

~~**B.** Subcontractors that receive \$10,000 or more per year in funding through this Contract shall secure fidelity insurance as noted above. Fidelity insurance secured by Subcontractors pursuant to this paragraph shall name the Grantee as beneficiary.~~

1.5 SUBCONTRACTOR DATA COLLECTION

Grantee will submit reports, in a form and format to be provided by Commerce and at intervals as agreed by the parties, regarding work under this Grant performed by subcontractors and the portion of Grant funds expended for work performed by subcontractors, including but not necessarily limited to minority-owned, woman-owned, and veteran-owned business subcontractors. "Subcontractors" shall mean subcontractors of any tier.

1.6 ORDER OF PRECEDENCE

In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- Applicable federal and state of Washington statutes and regulations
- Current Washington State Capital Budget Proviso language
- Program Specific Terms and Conditions
- Special Terms and Conditions
- General Terms and Conditions
- Attachment A – Scope of Work
- Attachment B – Budget

- Attachment C – Reporting
- Attachment D – Budget Proviso Language
- Attachment E – Site List

GENERAL TERMS AND CONDITIONS

STATE FUNDS

2.1 DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

- A. "Authorized Representative" shall mean the Director and/or the designee authorized in writing to act on the Director's behalf.
- B. "COMMERCE" shall mean the Department of Commerce.
- C. "Contract" or "Agreement" means the entire written agreement between COMMERCE and the Grantee, including any Exhibits, documents, or materials incorporated by reference. E-mail or Facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.
- D. "Grantee" shall mean the entity identified on the face sheet performing service(s) under this Contract, and shall include all employees and agents of the Grantee.
- E. "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers.
- F. "State" shall mean the state of Washington.
- G. "Subcontractor" shall mean one not in the employment of the Grantee, who is performing all or part of those services under this Contract under a separate contract with the Grantee. The terms "subcontractor" and "subcontractors" mean subcontractor(s) in any tier.
- H. "Intellectual Property" means patents, trademarks, copyrights, mask works, and other forms of comparable property rights protected by Federal law and foreign counterparts, except trade secrets.
- I. "Project" shall mean the proposed activities listed in Attachment A.
- J. "Deliverables" shall mean the deliverables listed on Attachment B.

2.2 ADVANCE PAYMENTS PROHIBITED

No payments in advance of or in anticipation of goods or services to be provided under this Contract shall be made by COMMERCE.

2.3 ALL WRITINGS CONTAINED HEREIN

This Contract contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.

2.4 AMENDMENTS

This section is superseded by Program Specific Terms and Conditions #3.

~~This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.~~

2.5 AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the "ADA" 28 CFR Part 35

The Grantee must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

2.6 ASSIGNMENT

Neither this Contract, nor any claim arising under this Contract, shall be transferred or assigned by the Grantee without prior written consent of COMMERCE.

2.7 ATTORNEYS' FEES

Unless expressly permitted under another provision of the Contract, in the event of litigation or other action brought to enforce Contract terms, each party agrees to bear its own attorneys' fees and costs.

2.8 CONFIDENTIALITY/SAFEGUARDING OF INFORMATION

A. "Confidential Information" as used in this section includes:

- i. All material provided to the Grantee by COMMERCE that is designated as "confidential" by COMMERCE;
- ii. All material produced by the Grantee that is designated as "confidential" by COMMERCE; and
- iii. All personal information in the possession of the Grantee that may not be disclosed under state or federal law. "Personal information" includes but is not limited to information related to a person's name, health, finances, education, business, use of government services, addresses, telephone numbers, social security number, driver's license number and other identifying numbers, and "Protected Health Information" under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).

- B.** The Grantee shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The Grantee shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of COMMERCE or as may be required by law. The Grantee shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, the Grantee shall provide COMMERCE with its policies and procedures on confidentiality. COMMERCE may require changes to such policies and procedures as they apply to this Contract whenever COMMERCE reasonably determines that changes are necessary to prevent unauthorized disclosures. The Grantee shall make the changes within the time period specified by COMMERCE. Upon request, the Grantee shall immediately return to COMMERCE any Confidential Information that COMMERCE reasonably determines has not been adequately protected by the Grantee against unauthorized disclosure.
- C.** Unauthorized Use or Disclosure. The Grantee shall notify COMMERCE within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.

2.9 CONFLICT OF INTEREST

Notwithstanding any determination by the Executive Ethics Board or other tribunal, the COMMERCE may, in its sole discretion, by written notice to the Grantee terminate this contract if it is found after due notice and examination by COMMERCE that there is a violation of the Ethics in Public Service Act, Chapters 42.52 RCW and 42.23 RCW; or any similar statute involving the Grantee in the procurement of, or performance under this contract.

Specific restrictions apply to contracting with current or former state employees pursuant to chapter 42.52 of the Revised Code of Washington. The Grantee and their subcontractor(s) must identify any person employed in any capacity by the state of Washington that worked on the Clean Energy Fund, including but not limited to formulating or drafting the legislation, participating in grant procurement planning and execution, awarding grants, and monitoring grants, during the 24 month period preceding the start date of this Grant. Identify the individual by name, the agency previously or currently employed by, job title or position held, and separation date. If it is determined by COMMERCE that a conflict of interest exists, the Grantee may be disqualified from further consideration for the award of a Grant.

In the event this contract is terminated as provided above, COMMERCE shall be entitled to pursue the same remedies against the Grantee as it could pursue in the event of a breach of the contract by the Grantee. The rights and remedies of COMMERCE provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law. The existence of facts upon which COMMERCE makes any determination under this clause shall be an issue and may be reviewed as provided in the "Disputes" clause of this contract.

2.10 COPYRIGHT

This section is superseded by Special Terms and Conditions #4.

~~Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by COMMERCE. COMMERCE shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Grantee hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to COMMERCE effective from the moment of creation of such Materials.~~

~~"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions.~~

~~"Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.~~

~~For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the Grantee hereby grants to COMMERCE a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Grantee warrants and represents that the Grantee has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to COMMERCE.~~

~~The Grantee shall exert all reasonable effort to advise COMMERCE, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Grantee shall provide COMMERCE with prompt written notice of each notice or claim of infringement received by the Grantee with respect to any Materials delivered under this Contract. COMMERCE shall have the right to modify or remove any restrictive markings placed upon the Materials by the Grantee.~~

2.11 DISPUTES

Except as otherwise provided in this Contract, when a dispute arises between the parties and it cannot be resolved by direct negotiation, either party may request a dispute hearing with the Director of COMMERCE, who may designate a neutral person to decide the dispute.

The request for a dispute hearing must:

- be in writing;
- state the disputed issues;
- state the relative positions of the parties;
- state the Grantee's name, address, and Contract number; and
- be mailed to the Director and the other party's (respondent's) Contract Representative within three (3) working days after the parties agree that they cannot resolve the dispute.

The respondent shall send a written answer to the requestor's statement to both the Director or the Director's designee and the requestor within five (5) working days.

The Director or designee shall review the written statements and reply in writing to both parties within ten (10) working days. The Director or designee may extend this period if necessary by notifying the parties.

The decision shall not be admissible in any succeeding judicial or quasi-judicial proceeding.

The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Nothing in this Contract shall be construed to limit the parties' choice of a mutually acceptable alternate dispute resolution (ADR) method in addition to the dispute hearing procedure outlined above.

2.12 DUPLICATE PAYMENT

COMMERCE shall not pay the Grantee, if the Grantee has charged or will charge the State of Washington or any other party under any other contract or agreement, for the same services or expenses.

2.13 GOVERNING LAW AND VENUE

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

2.14 INDEMNIFICATION

To the fullest extent permitted by law, the Grantee shall indemnify, defend, and hold harmless the state of Washington, COMMERCE, agencies of the state and all officials, agents and employees of the state, for, from and against all claims for injuries or death arising out of or resulting from the performance of the contract. "Claim" as used in this contract, means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorney's fees, attributable for bodily injury, sickness, disease, or death, or injury to or the destruction of tangible property including loss of use resulting therefrom.

The Grantee's obligation to indemnify, defend, and hold harmless includes any claim by Grantee's agents, employees, representatives, or any subcontractor or its employees.

The Grantee expressly agrees to indemnify, defend, and hold harmless the State for any claim arising out of or incident to the Grantee's or any subcontractor's performance or failure to perform the contract. Grantee's obligation to indemnify, defend, and hold harmless the State shall not be eliminated or reduced by any actual or alleged concurrent negligence of State or its agents, agencies, employees and officials.

The Grantee waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless the state and its agencies, officers, agents or employees.

2.15 INDEPENDENT CAPACITY OF THE GRANTEE

The parties intend that an independent contractor relationship will be created by this Contract. The Grantee and its employees or agents performing under this Contract are not employees or agents of the state of Washington or COMMERCE. The Grantee will not hold itself out as or claim to be an officer or employee of COMMERCE or of the state of Washington by reason hereof, nor will the Grantee make any claim of right, privilege or benefit which would accrue to such officer or employee under law. Conduct and control of the work will be solely with the Grantee.

2.16 INDUSTRIAL INSURANCE COVERAGE

The Grantee shall comply with all applicable provisions of Title 51 RCW, Industrial Insurance. If the Grantee fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, COMMERCE may collect from the Grantee the full amount payable to the Industrial Insurance Accident Fund. COMMERCE may deduct the amount owed by the Grantee to the accident fund from the amount payable to the Grantee by COMMERCE under this Contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Grantee.

2.17 LAWS

The Grantee shall comply with all applicable laws, ordinances, codes, regulations and policies of local, state, and federal governments, as now or hereafter amended.

2.18 LICENSING, ACCREDITATION AND REGISTRATION

The Grantee shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Contract.

2.19 LIMITATION OF AUTHORITY

Only the Authorized Representative or Authorized Representative's designee by writing (designation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract. Furthermore, any alteration, amendment, modification, or waiver of any clause or condition of this contract is not effective or binding unless made in writing and signed by the Authorized Representative.

2.20 NONCOMPLIANCE WITH NONDISCRIMINATION LAWS

During the performance of this Contract, the Grantee shall comply with all federal, state, and local nondiscrimination laws, regulations and policies. In the event of the Grantee's non-compliance or refusal to comply with any nondiscrimination law, regulation or policy, this contract may be rescinded, canceled or terminated in whole or in part, and the Grantee may be declared ineligible for further contracts with COMMERCE. The Grantee shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

The funds provided under this contract may not be used to fund religious worship, exercise, or instruction. No person shall be required to participate in any religious worship, exercise, or instruction in order to have access to the facilities funded by this grant.

2.21 PAY EQUITY

The Grantee agrees to ensure that "similarly employed" individuals in its workforce are compensated as equals, consistent with the following:

- a. Employees are "similarly employed" if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;
- b. Grantee may allow differentials in compensation for its workers if the differentials are based in good faith and on any of the following:
 - (i) A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.
 - (ii) A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.
 - (iii) A bona fide regional difference in compensation level must be: consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

This Contract may be terminated by the Department, if the Department or the Department of Enterprise services determines that the Grantee is not in compliance with this provision.

2.22 POLITICAL ACTIVITIES

Political activity of Grantee employees and officers are limited by the State Campaign Finances and Lobbying provisions of Chapter 42.17A RCW and the Federal Hatch Act, 5 USC 1501 - 1508.

No funds may be used for working for or against ballot measures or for or against the candidacy of any person for public office.

2.23 PUBLICITY

This section is superseded by Special Terms and Conditions #5.

~~The Grantee agrees not to publish or use any advertising or publicity materials in which the state of Washington or COMMERCE's name is mentioned, or language used from which the connection with the state of Washington's or COMMERCE's name may reasonably be inferred or implied, without the prior written consent of COMMERCE.~~

2.24 RECAPTURE

In the event that the Grantee fails to perform this contract in accordance with state laws, federal laws, and/or the provisions of this contract, COMMERCE reserves the right to recapture funds in an amount to compensate COMMERCE for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Grantee of funds under this recapture provision shall occur within the time period specified by COMMERCE. In the alternative, COMMERCE may recapture such funds from payments due under this contract.

2.25 RECORDS MAINTENANCE

The Grantee shall maintain books, records, documents, data and other evidence relating to this contract and performance of the services described herein, including but not limited to accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this contract.

Grantee shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the contract, shall be subject at all reasonable times to inspection, review or audit by COMMERCE, personnel duly authorized by COMMERCE, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

2.26 REGISTRATION WITH DEPARTMENT OF REVENUE

If required by law, the Grantee shall complete registration with the Washington State Department of Revenue.

2.27 RIGHT OF INSPECTION

The Grantee shall provide right of access to its facilities to COMMERCE, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this contract.

2.28 SAVINGS

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, COMMERCE may suspend or terminate the Contract under the "Termination for Convenience" clause, without the ten business day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

2.29 SEVERABILITY

The provisions of this contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the contract.

2.30 SUBCONTRACTING

This section is superseded by Special Terms and Conditions #6.

~~The Grantee may only subcontract work contemplated under this Contract if it obtains the prior written approval of COMMERCE.~~

~~If COMMERCE approves subcontracting, the Grantee shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, COMMERCE in writing may: (a) require the Grantee to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Grantee from subcontracting with a particular person or entity; or (c) require the Grantee to rescind or amend a subcontract.~~

~~Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Grantee is responsible to COMMERCE if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Grantee shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Grantee to COMMERCE for any breach in the performance of the Grantee's duties.~~

~~Every subcontract shall include a term that COMMERCE and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.~~

2.31 SURVIVAL

The terms, conditions, and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

2.32 TAXES

All payments accrued on account of payroll taxes, unemployment contributions, the Grantee's income or gross receipts, any other taxes, insurance or expenses for the Grantee or its staff shall be the sole responsibility of the Grantee.

2.33 TERMINATION FOR CAUSE

In the event COMMERCE determines the Grantee has failed to comply with the conditions of this contract in a timely manner, COMMERCE has the right to suspend or terminate this contract. Before suspending or terminating the contract, COMMERCE shall notify the Grantee in writing of the need to take corrective action. If corrective action is not taken within 30 calendar days, the contract may be terminated or suspended.

In the event of termination or suspension, the Grantee shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

COMMERCE reserves the right to suspend all or part of the contract, withhold further payments, or prohibit the Grantee from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Grantee or a decision by COMMERCE to terminate the contract. A termination shall

be deemed a "Termination for Convenience" if it is determined that the Grantee: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence.

The rights and remedies of COMMERCE provided in this contract are not exclusive and are, in addition to any other rights and remedies, provided by law.

2.34 TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Contract COMMERCE may, by ten (10) business days written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, COMMERCE shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

2.35 TERMINATION PROCEDURES

This section is superseded by Special Terms and Conditions #7.

~~Upon termination of this contract, COMMERCE, in addition to any other rights provided in this contract, may require the Grantee to deliver to COMMERCE any property specifically produced or acquired for the performance of such part of this contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.~~

~~COMMERCE shall pay to the Grantee the agreed upon price, if separately stated, for completed work and services accepted by COMMERCE, and the amount agreed upon by the Grantee and COMMERCE for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services that are accepted by COMMERCE, and (iv) the protection and preservation of property, unless the termination is for default, in which case the Authorized Representative shall determine the extent of the liability of COMMERCE. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. COMMERCE may withhold from any amounts due the Grantee such sum as the Authorized Representative determines to be necessary to protect COMMERCE against potential loss or liability.~~

~~The rights and remedies of COMMERCE provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.~~

~~After receipt of a notice of termination, and except as otherwise directed by the Authorized Representative, the Grantee shall:~~

- ~~1. Stop work under the contract on the date, and to the extent specified, in the notice;~~
- ~~2. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;~~
- ~~3. Assign to COMMERCE, in the manner, at the times, and to the extent directed by the Authorized Representative, all of the rights, title, and interest of the Grantee under the orders and subcontracts so terminated, in which case COMMERCE has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;~~
- ~~4. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Authorized Representative to the extent the Authorized Representative may require, which approval or ratification shall be final for all the purposes of this clause;~~
- ~~5. Transfer title to COMMERCE and deliver in the manner, at the times, and to the extent directed by the Authorized Representative any property which, if the contract had been completed, would have been required to be furnished to COMMERCE;~~
- ~~6. Complete performance of such part of the work as shall not have been terminated by the Authorized Representative; and~~
- ~~7. Take such action as may be necessary, or as the Authorized Representative may direct, for the protection and preservation of the property related to this contract, which is in the possession of the Grantee and in which COMMERCE has or may acquire an interest.~~

2.36 TREATMENT OF ASSETS

This section is superseded by Special Terms and Conditions #8.

~~Title to all property furnished by COMMERCE shall remain in COMMERCE. Title to all property furnished by the Grantee, for the cost of which the Grantee is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in COMMERCE upon delivery of such property by the Grantee. Title to other property, the cost of which is reimbursable to the Grantee under this contract, shall pass to and vest in COMMERCE upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by COMMERCE in whole or in part, whichever first occurs.~~

~~A. Any property of COMMERCE furnished to the Grantee shall, unless otherwise provided herein or approved by COMMERCE, be used only for the performance of this contract.~~

- ~~B. The Grantee shall be responsible for any loss or damage to property of COMMERCE that results from the negligence of the Grantee or which results from the failure on the part of the Grantee to maintain and administer that property in accordance with sound management practices.~~
- ~~C. If any COMMERCE property is lost, destroyed or damaged, the Grantee shall immediately notify COMMERCE and shall take all reasonable steps to protect the property from further damage.~~
- ~~D. The Grantee shall surrender to COMMERCE all property of COMMERCE prior to settlement upon completion, termination or cancellation of this contract~~
~~All reference to the Grantee under this clause shall also include Grantee's employees, agents or Subcontractors.~~

2.37 WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by Authorized Representative of COMMERCE.

ATTACHMENT A – SCOPE OF WORK

Purpose: This project seeks to investigate, co-create and determine technical and financial feasibility for Washington Grid-interactive Efficient Building (GEB) technology deployment models that can respond to utility signals while meeting customer needs for affordability, bill savings, and occupant comfort and air quality. The output of the project will be feasibility analyses and early-stage designs for 3-6 sites across Evergreen State College, Aberdeen School District, and Hoquiam School District campuses. The team will also produce a validated suite of specific GEB technologies and approaches that address the building types and business realities of the education sector

Capital Project Objectives:

1. Avoiding distribution capacity constraints - For distribution utilities using GEBS to manage loads and local generation to correspond with infrastructure constraints improves asset life and resiliency by reducing the chance of short-term supply disruptions due to asset wear and tear. For customers, managing energy within capacity constraints means the ability to electrify fleets or buildings without paying infrastructure upgrade fees. Additionally, show that dynamic aggregation of end-use load control through time-varying utility signals is an innovative means to reduce deployment effort for utilities while solving a variety of transmission, distribution and market constraints. Engage community in collaborative planning – Use the Path to Energy Independence framework to enable community participation in planning energy systems and technologies impacting their future. The project team will employ data libraries, analysis tools and visualization approaches developed as part of the GridOptimal Buildings Initiative. The project team will consider options in terms of impact on building load shape and demand flexibility per building and at scale. The team will focus on GEB affordability for institutions that are community cornerstones: small and mid-sized schools and campuses that are under-represented in grid integration projects. Assess the value proposition and feasibility of GEB technologies for communities while preparing to maximize economies of scale and shared load flexibility services, enabling utilities to run their operations more efficiently, reliably and at lower cost.
2. Dynamic load shaping for 24/7 renewable integration – To better integrate renewables and manage resource adequacy, utility signals can encourage dynamic adjustment of energy loads with innovative tariffs that enable GEBs to ramp, shift or shed loads using autonomous specialty controls. Determine if automated specialty controls play an important role in making customer response to utility signals more reliable and less burdensome.
3. Economic benefits to educational institution customers – For customers with local generation, the combination of grid-interactive controls, battery and/or thermal storage, and flexible building loads can together increase on-site renewable self-consumption - resulting in 10% greater building flexibility than traditional demand response.
4. Resilience – Battery storage is also key to affordably backing up critical loads for longer durations. Examine compiling advanced technologies such as battery storage, electric fleets with V2G charging, specialty controls and grid-connected building systems (such as HVAC and hot water) based on their potential to respond to utility signals and customer use cases. Evergreen presents an opportunity to understand whether reliability as a service model could enable utilities like Energy Northwest (EN) to cost- share battery and/or GEB technology in exchange for using assets for grid- use cases under normal operating conditions.

Major Components to Be Evaluated

1. The Project Manager will execute project duties (sourcing; partnerships; preliminary contractual relationships; procurement; managing scope, schedule and budget; deliverable completion).
2. CEL will lead the Path to Energy Independence process, enabling stakeholders to co-create project objectives and microgrid components.
3. CEL will facilitate identifying the most promising sites and work with the site coordinator, Kristine Cavanah, GHPUD and school partners to create an inventory of each site's constraints and opportunities resulting in the Community Asset Map. Data includes:
 - Site attributes, electrical wiring schematics, energy usage and forecasting, communications infrastructure, emergency plans,
 - Proximity to vulnerable community members.
4. CEL will guide stakeholders to a shared understanding of the value they want to achieve with GEB technologies by taking a qualitative inventory of stakeholder feedback, objectives, impacts and outreach efforts as well as documenting grid, building and community opportunities and needs.
5. By holding regular meetings, CEL will improve equitable public access by facilitating the two-way flow of information, providing updates on incremental design changes and demonstrating the project's incorporation of community feedback.

6. NBI and UMC, working with GHPUD, EN and the schools, will evaluate several combinations of systems, response to grid use cases and response to customer needs, developing a preliminary (10%) system technical design. This phase includes:
 - Specify desired GEB technology options
 - Assess sites' legal/environmental suitability and permitting requirements
 - Determine communication and electrical interface requirements
 - Assess control software sensor
7. NBI, UMC and CEL, working together with GHPUD and EN, will evaluate several tariffs, system costs and financing models to determine financial and commercial viability.
8. The last phase will incorporate this project's results, creating a preliminary plan for the follow-on implementation project. The preliminary project plan will include:
 - Identify team members for the follow-up project,
 - Develop preliminary contractual and commercial terms with project partners,
 - Create a preliminary project plan including scope, schedule and budget,
 - Develop a commissioning, training and operations plan for GEB deployment, packages for schools and interface with utility training, labor and technical college apprenticeship programs.

Description of Sites

Aberdeen and Hoquiam School Districts (ASD, HSD respectively) are both GHPUD customers. They have a combined student population of approximately 5,000 students in pre-K through 12 in 8 elementary schools, 2 junior high schools, 4 high schools and 8 other facilities totaling nearly 1 million building square feet with a combined pre-COVID annual electrical load of 7.3 GWh. They share a transit facility and are considering electric fleets. Both have a mix of decades-old gas and electric heating and are planning significant building equipment upgrades including heating electrification and adding cooling to buildings - some already nearing maximum electrical capacity. This 2-3 year planning window is an ideal time for the schools to work collaboratively with EN and GHPUD to explore a mix of GEB technology packages, financing and incentives that could: meet the districts' need for modernization; reduce combustion of fossil fuels for heat and transportation; enable grid-connected load controls for operational flexibility and grid benefit.

The Evergreen State College is a public college with 3,327 students; 692 staff. 41% of students receive low-income Federal Pell Grant Aid. Over 1.5 million building square feet on the main campus have no backup generation and are served by a single utility distribution circuit with chronic reliability problems. This presents significant problems when extended outages compromise Evergreen's IT infrastructure, leaving the campus without connectivity. Evergreen presents an opportunity to understand whether reliability as a service model could enable utilities like Energy Northwest (EN) to cost- share battery and/or GEB technology in exchange for using assets for grid- use cases under normal operating conditions.

Track 1 Grant Scope of Work

1. Procure consulting and/or other services necessary to completing Track 1 activities – Energy Northwest will manage all work performed by subrecipients.
2. Community engagement and asset mapping process
 - Community Asset Mapping – Facilitate identifying the most promising sites and work with project team to create an inventory of sites.
 - Stakeholder value – Take a qualitative inventory of stakeholder feedback, objectives, impacts and outreach efforts as well as documenting grid, building and community opportunities and needs.
 - Community Engagement - By holding regular meetings, the project team will improve equitable public access by facilitating the two-way flow of information, providing updates on incremental design changes and demonstrating the project's incorporation of community feedback.
3. Complete preliminary (10%) system technical design (technology assessment and selection, configuration)
4. Complete commercial and financial feasibility analysis.
5. Assess site, including constraints and opportunities.
6. Complete preliminary project management and operations plan, budget and schedule.
7. Form project team and preliminary contractual relationships between partners, as well as preliminary commercial terms of the project.

ATTACHMENT B – BUDGET

Milestone	Milestone and Task Description	Key Deliverable(s)	Activity Period	Percent of CEF Grant	\$ Applicant Match	\$ Amount of CEF Grant
A	Service Contracts with Partners					
	Draft Service Contracts with Partners	Draft Contracts	Q2 '22	10.0%	\$15,243	\$14,998.30
	Final Service Contracts with Partners	Final Contracts	Q2 '22	20.0%	\$30,486	\$29,996.60
			Activity A Subtotal	30%	\$45,729	\$44,994.90
B	Scope Completion & Final Report					
	Final Report Approved By Commerce	Copy of final report	Q4 '23	70.0%	\$106,701	\$104,988.10
			Activity B Subtotal	100%	\$152,430	\$149,983
			Budget Total	100%	\$152,430	\$149,983

DELIVERABLES

Milestone	Project Activity and Task	Key Deliverable(s)	Deliverable Description
A	Service Contracts with Partners		
	Draft Service Contracts with Partners	Draft Contracts	Submitted prior to subcontract execution: copy of draft subcontract(s) as developed for consultant scopes of work.
	Service Contracts with Partners	Work for Hire Contracts	Copy of fully executed subcontract(s) as developed for consultant scopes of work.
B	Scope Completion & Final Report		
	Final Report Approved By Commerce	Copy of final report	Copy of final report, submitted in alignment with the instructions in Attachment C – Reporting, with all required sections completed. As a condition of reimbursement, Commerce may request additional information or revisions to the final report to ensure that it fulfills the grant scope of work and the requirements of this program.

ATTACHMENT C – REPORTING

The Grantee must provide quarterly written reports and host regular monthly meetings with COMMERCE for project update purposes.

- 1)** The Grantee shall issue a quarterly report to COMMERCE, no later than 15 days after the end of each quarter, describing the project activity that occurred during the quarter, and using the reporting template provided by Commerce. Reports will include information including but not limited to:
 - a) A narrative summarizing project activities, risks and issues mitigated, and lessons learned;
 - b) The project milestones met to date and anticipated in the subsequent quarter;
 - c) The project expenditures to date and anticipated in the next quarter; and,
 - d) Any additional metrics required from the capital budget proviso, legislature, governor's office, or COMMERCE.
- 2)** The Grantee shall host regular quarterly meetings with COMMERCE, including but not limited to:
 - a) Generating an agenda or dashboard 24 hours in advance of the meeting;
 - b) Providing summary notes of those meetings within 48 hours of hosting the meeting; and,
 - c) Providing a system for tracking risks / issues and their resolutions.
- 3)** The Grantee shall submit a final report to Commerce using the final report format provided by Commerce, and with all required sections completed. Commerce may request additions or revisions to the final report to ensure it aligns with the contract scope of work. The final report will include, but not be limited to:
 - a) Reporting on the results of the Minimum Scope of Work for the application's corresponding application Track, including any analyses, assessments, plans, and designs produced.
 - b) Evidence of, and/or reporting on the results of, additional tasks included in Attachment A – Scope of Work.
- 4)** Failure to submit required reports will be treated as a default, which left uncured, may result in COMMERCE's right to recoup disbursed funds and terminate any obligation to disburse additional funds.

ATTACHMENT D – BUDGET PROVISO LANGUAGE

Section 6006 of the 2017-2019 Capital Budget (SSB 6090) (Chapter 413, Laws of 2019)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations are provided solely for projects that provide a benefit to the public through development, demonstration, and deployment of clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or increase energy independence for the state.

(2) In soliciting and evaluating proposals, awarding contracts, and monitoring projects under this section, the department must:

(a) Ensure that competitive processes, rather than sole source contracting processes, are used to select all projects, except as otherwise noted in this section; and

(b) Conduct due diligence activities associated with the use of public funds including, but not limited to, oversight of the project selection process, project monitoring and ensuring that all applications and contracts fully comply with all applicable laws including disclosure and conflict of interest statutes.

(3)(a) Pursuant to chapter 42.52 RCW, the ethics in public service act, the department must require a project applicant to identify in application materials any state of Washington employees or former state employees employed by the firm or on the firm's governing board during the past twenty-four months. Application materials must identify the individual by name, the agency previously or currently employing the individual, job title or position held, and separation date. If it is determined by the department that a conflict of interest exists, the applicant may be disqualified from further consideration for award of funding.

(b) If the department finds, after due notice and examination, that there is a violation of chapter 42.52 RCW, or any similar statute involving a grantee who received funding under this section, either in procuring or performing under the grant, the department in its sole discretion may terminate the funding grant by written notice. If the grant is terminated, the department must reserve its right to pursue all available remedies under law to address the violation.

(4) The requirements in subsections (2) and (3) of this section must be specified in funding agreements issued by the department.

9 (5) \$11,000,000 of the state building construction account, is
 10 provided solely for grid modernization grants for projects that
 11 advance clean and renewable energy technologies, and transmission and
 12 distribution control systems; that support integration of renewable
 13 energy sources, deployment of distributed energy resources, and
 14 sustainable microgrids; and that increase utility customer options
 15 for energy sources, energy efficiency, energy equipment, and utility
 16 services.

17 (a) Projects must be implemented by public and private electrical
 18 utilities that serve retail customers in the state. Eligible
 19 utilities may partner with other public and private sector research
 20 organizations and businesses in applying for funding.

21 (b) The department shall develop a grant application process to
 22 competitively select projects for grant awards, to include scoring
 23 conducted by a group of qualified experts with application of
 24 criteria specified by the department. In development of the
 25 application criteria, the department shall, to the extent possible,
 26 allow smaller utilities or consortia of small utilities to apply for
 27 funding.

28 (c) Applications for grants must disclose all sources of public
 29 funds invested in a project.

Section 1005 of the 2019-2021 Capital Budget (SSB 6248) (Chapter 356, Laws of 2020)

15 Clean Energy Transition 4 (40000042)

16 The appropriations in this section are subject to the following
 conditions and limitations:

18 (1) The appropriations are provided solely for projects that
 19 provide a benefit to the public through development, demonstration,
 20 and deployment of clean energy technologies that save energy and
 21 reduce energy costs, reduce harmful air emissions, or increase energy
 22 independence for the state. Priority must be given to projects that
 23 benefit vulnerable populations, including tribes and communities with
 high environmental or energy burden.

25 (2) In soliciting and evaluating proposals, awarding contracts,
 26 and monitoring projects under this section, the department must:

27 (a) Ensure that competitive processes, rather than sole source
 28 contracting processes, are used to select all projects, except as

otherwise noted in this section; and

30 (b) Conduct due diligence activities associated with the use of
31 public funds including, but not limited to, oversight of the project
32 selection process, project monitoring, and ensuring that all
33 applications and contracts fully comply with all applicable laws
34 including disclosure and conflict of interest statutes.

35 (3)(a) Pursuant to chapter 42.52 RCW, the ethics in public
36 service act, the department must require a project applicant to
37 identify in application materials any state of Washington employees
38 or former state employees employed by the firm or on the firm's
1 governing board during the past twenty-four months. Application
2 materials must identify the individual by name, the agency previously
3 or currently employing the individual, job title or position held,
4 and separation date. If it is determined by the department that a
5 conflict of interest exists, the applicant may be disqualified from
further consideration for award of funding.⁶

7 (b) If the department finds, after due notice and examination,
8 that there is a violation of chapter 42.52 RCW, or any similar
9 statute involving a grantee who received funding under this section,
10 either in procuring or performing under the grant, the department in
11 its sole discretion may terminate the funding grant by written
12 notice. If the grant is terminated, the department must reserve its
13 right to pursue all available remedies under law to address the
violation.

15 (4) The requirements in subsections (2) and (3) of this section
16 must be specified in funding agreements issued by the department.

17 (5) \$6,107,000 of the state building construction account—state
18 appropriation is provided solely for grid modernization grants for
19 projects that: Advance clean and renewable energy technologies and
20 transmission and distribution control systems; support integration of
21 renewable energy sources, deployment of distributed energy resources,
22 and sustainable microgrids; and increase utility customer options for
23 energy sources, energy efficiency, energy equipment, and utility
services.

25 (a) Projects must be implemented by public and private electrical

26 utilities that serve retail customers in the state. Priority must be
27 given to: (i) Projects that benefit vulnerable populations, including
28 tribes and communities with high environmental or energy burden; and
29 (ii) projects that have a partner that is a tribe or nonprofit
30 organization that serves community eligible entities. Utilities may
31 partner with other public and private sector research organizations,
32 businesses, tribes, and nonprofit organizations in applying for
funding.

34 (b) The department shall develop a grant application process to
35 competitively select projects for grant awards, to include scoring
36 conducted by a group of qualified experts with application of
37 criteria specified by the department. In development of the
38 application criteria, the department shall, to the extent possible,
39 allow smaller utilities or consortia of small utilities to apply for
funding.

40 (c) Applications for grants must disclose all sources of public
funds invested in a project.

ATTACHMENT E – SITE LIST

Site #	Site Name	Site Address	City	Zip
1	Aberdeen High School	410 N. G St.	Aberdeen	98250
2	Miller Middle School	100 E. Lindstrom St.	Aberdeen	98520
3	A. J. West Elementary	1801 Bay Ave.	Aberdeen	98520
4	Central Park Elementary	601 School Rd	Aberdeen	98520
5	McDermoth Elementary	409 N. K St.	Aberdeen	98520
6	Robert Gray Elementary	1516 N. B St.	Aberdeen	98520
7	Stevens Elementary	301 S Farragut St.	Aberdeen	98520
8	Hoquiam High School	501 W. Emerson	Hoquiam	98550
9	Hoquiam Middle School	200 Spencer St.	Hoquiam	98550
10	Central Elementary	310 Simpson Ave.	Hoquiam	98550
11	Lincoln Elementary	700 Wood Ave.	Hoquiam	98550
12	Evergreen State College	2700 Pkwy NW	Olympia	98505



DocuSign Routing Form

Clean Energy Fund Section

COMMERCE STAFF ONLY

Review by (Title):	Name:	Date:	Initials:
Grantee/Contractor	Grantee/Contractor	Signed on Attached Contract	Signed on Attached Contract
Commerce Grant Manager	Angela LaSalle, Nick Manning, OR Hans Berg	6/1/2022 5:17 PM PDT	^{DS} HB
CEF Section Supervisor	Hans Berg	6/1/2022 5:18 PM PDT	^{DS} HB
Budget	Sheri Davis OR Marla Page	6/2/2022 6:47 AM PDT	^{DS} MP
Managing Director	Jennifer Grove	6/3/2022 7:05 AM PDT	^{DS} JG
Assistant Director	Michael Furze	Signed on Attached Contract	Signed on Attached Contract

Certificate Of Completion

Envelope Id: 9ADEA5C2600C4A8A84AEED0DF4468733

Status: Completed

Subject: RE: CEF Grid Modernization Contract #21-92201-028 Energy Northwest For Signature

Division:

Energy

Program: CEF4 Grid Modernization

ContractNumber: 21-92201-028

DocumentType: Contract

Source Envelope:

Document Pages: 28

Signatures: 2

Envelope Originator:

Certificate Pages: 6

Initials: 4

Aaron Dumas

AutoNav: Enabled

1011 Plum Street SE

Envelopeld Stamping: Enabled

MS 42525

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Olympia, WA 98504-2525

aaron.dumas@commerce.wa.gov

IP Address: 147.55.134.1

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Richard Shaff


rashaff@energy-northwest.com

Business Support Manager

Energy Northwest

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rashaff@energy-northwest.com

Using IP Address: 66.119.205.190

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Accepted: 6/1/2022 8:39:23 AM

ID: c6e5acd3-d3b5-4207-be11-09426704ef6d

Hans Berg

hans.berg@commerce.wa.gov

Security Level: Email, Account Authentication
(None)

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Hans Berg

hans.berg@commerce.wa.gov

Security Level: Email, Account Authentication
(None)

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Signer Events	Signature	Timestamp
<p>Marla Page</p> <p>marla.page@commerce.wa.gov</p> <p>Signing Group: COM Energy Budget Office</p> <p>Security Level: Email, Account Authentication (None)</p>	 <p>Signature Adoption: Pre-selected Style</p> <p>Signed by link sent to</p> <p>marla.page@commerce.wa.gov</p> <p>Using IP Address: 147.55.134.47</p>	<p>Sent: 6/1/2022 5:18:11 PM</p> <p>Viewed: 6/2/2022 6:46:30 AM</p> <p>Signed: 6/2/2022 6:47:44 AM</p>

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Jennifer Grove

jennifer.grove@commerce.wa.gov

Security Level: Email, Account Authentication (None)



Sent: 6/2/2022 6:47:46 AM

Viewed: 6/3/2022 7:02:56 AM

Signed: 6/3/2022 7:05:25 AM

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jennifer.grove@commerce.wa.gov

Using IP Address: 198.239.106.155

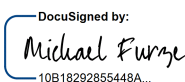
Electronic Record and Signature Disclosure:
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Michael Furze

michael.furze@commerce.wa.gov

Security Level: Email, Account Authentication (None)

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10B18292855448A...

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michael.furze@commerce.wa.gov

Using IP Address: 198.239.10.161

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In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
<p>Ross Rebich</p> <p>rgrebich@energy-northwest.com</p> <p>Security Level: Email, Account Authentication (None)</p>	 <p>Using IP Address: 108.174.120.217</p>	<p>Sent: 5/26/2022 1:50:18 PM</p> <p>Viewed: 5/30/2022 1:33:47 PM</p>

Electronic Record and Signature Disclosure:
Accepted: 5/30/2022 1:33:47 PM
ID: 106b570d-1a33-4b4d-9749-08b8ab8c0eea

Certified Delivery Events	Status	Timestamp
Sherri Schwartz slschwartz@energy-northwest.com Lead Procurement Specialist Energy Northwest Security Level: Email, Account Authentication (None)	<div>VIEWED</div> Using IP Address: 66.119.205.190	Sent: 5/30/2022 1:33:47 PM Viewed: 5/31/2022 7:55:58 AM
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Carbon Copy Events	Status	Timestamp
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Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	5/26/2022 1:50:18 PM
Certified Delivered	Security Checked	6/4/2022 8:13:05 AM
Signing Complete	Security Checked	6/4/2022 8:13:11 AM
Completed	Security Checked	6/4/2022 8:13:11 AM

Payment Events	Status	Timestamps
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