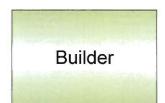
## **EnergySense's Three-Party Contracting**

## DOCKET 08-CRI-01 DATE RECD. MAR 18 2009

- · Testing scheduled directly with builder
- Test results reported directly to builder
- · EnergySense accountable to builder



- Bids for installation and testing services submitted and evaluated on a standalone basis
- No markup of EnergySense testing prices by installing company
- Invoicing and collection services provided by installing company in exchange for ability to offer more comprehensive set of services to builder
- Builder notifies installing entity of failed tests and arranges installation rework





Installing Company

- EnergySense raters are independent contractors to the installing company
- · EnergySense raters have:
  - No ownership interest
  - No debt agreement
  - No employee/employer relationship
  - No advocacy or recommendation of installing company
- · Contract not exclusive
  - Installing company not obligated to use EnergySense
  - EnergySense not obligated to perform testing for installing company
  - EnergySense free to market testing services directly to builders.
- EnergySense sets prices for testing services based upon market conditions and own revenue and profit goals
- EnergySense receives full payment of bid price for testing services from installing company as a pass-through from the builder



## **Contracting Process for Field Verification and Testing Services** EnergySense, Inc. **Installing Company** Builder Contracts negotiated for EnergySense testing services Separate bids Price sheet prepared for Bids evaluated prepared for installation and separately on a testing services testing services standalone basis Bid acceptance Bid acceptance Bid(s) selected notification notification Test scheduling Test results reported by EnergySense Testing performed to builder and CHEERS Installing company EnergySense notifies prepares and submits Builder pays installing company invoice to builder for invoice amount to when testing is: bid amount installing company complete Installing company pays full invoice amount to EnergySense as a passthrough from the builder