

Participation Agreement

For Rebates in Commercial & Industrial Facilities (Non-Lighting)

PUD Staff: **Rob Marks**

Project Name: **Everett Station 2024-02 BE-C**

PUD APPROVED
By ST on 4/6/26 2:48PM

PUD Approval:

Customer & Facility

Customer's Business Name	Facility Name	Facility Address
City of Everett	Everett Station	3211 Smith Ave Everett, WA 98201-4540

Energy Efficiency Project(s) ¹	Estimated Annual Energy Savings	Project Cost	Energy Savings Incentive	Project Development Incentive ²
AHU and Controls upgrades	421,852 kWh	\$2,220,000.00	\$122,009.30	\$4,218.52
Total:	421,852 kWh	\$2,220,000.00	\$122,009.30	\$4,218.52

Important Dates
Complete/Sign This Form By:

5/4/2026

Agreement Expires On:

6/15/2028

1.) Please see attached Worksheets for Details

2.) The Project Development Incentive is paid to the company primarily responsible for filling out this workbook, assembling the required documents and submitting the complete application packet. The Project Development Incentive shall be paid to: City of Everett

Project Verification

Above incentive and energy savings are an estimate. This will be a performance based incentive and will require 6 consecutive months minimum, and up to 12 months, of site monthly billing electrical and gas data. At least 2 of the minimum 6-months of energy data to include 2 consecutive winter months November-February. Anticipate to see both gas and electrical reductions with this major HVAC upgrade. Post energy data will be added to the ECAM model and TMY3 adjusted to estimate the first year annual savings. Any increase in gas usage will be deducted from the electrical savings as to not recognize fuel switching. Project incentive to be capped at \$200,000.00

Terms & Conditions

The Participant ("Customer") hereby applies for incentive payment from Public Utility District No. 1 of Snohomish County ("PU D") under its Commercial and Industrial Energy Efficiency Programs. Incentive payment will be made when the project satisfies the PUD's requirements. PUD reserves the right to change and/or terminate the program or extend the term of the Agreement at any time.

The Customer:


- Certifies that project documentation used in developing this project accurately reflects existing conditions and project scope.
- Understands that projected energy and cost savings are estimates.
- Understands that the incentive payment will not exceed 100% of the actual total project cost.
- Will seek PUD approval prior to changes that may affect the savings and incentive amount. Any changes to incentive amounts are subject to available funding.
- Assumes full responsibility for equipment selection and installation, project management and payment of contractors and/or suppliers, as well as disposal of equipment, in accordance with all applicable federal, state and local laws, building codes and permitting requirements.
- Is responsible for payment of any federal, state or local taxes and any tax liability associated with Customer's receipt of PUD's incentive payment, including any income tax that may be imposed on the Customer as a result of the receipt of incentive payments.
- Agrees to provide all information required by PUD to evaluate and verify whether project complies with and meets PUD incentive payment requirements.
- Understands that the PUD may, during reasonable hours, verify the project at the site identified on this agreement before, during and/or after the installation of equipment for the sole purpose of verifying compliance with the performance obligations required by the PUD's Programs. The limited scope and purpose of any PUD verification is not intended to discover or report any defects, code violations or hazards of any kind. For that reason, the Customer should carefully inspect the performance of any equipment supplier and any contractor and/or request inspection by appropriate governmental agencies.
- Agrees to defend, indemnify and hold harmless PUD and its officials, officers, employees and agents from and against any and all losses, liabilities, damages, costs, expenses (including attorney's fees and expenses), claims, or judgments (individually and collectively referred to as "Claims") arising out of or in connection with Customer's participation in this program, but nothing herein shall require Participant to indemnify PUD for that portion of any such Claims attributable to the negligent acts or omissions of PUD and its officials, officers, employees and agents.
- At time of completion, customer certifies the scope of this project has been completed, specified products have been installed, and the invoiced amount matches your records.
- Certifies that, at project completion, all specified products will be installed, and the invoiced amount will match PUD records
- Understands that the PUD may release account information related to your participation in this program including billing and energy usage information to third party evaluators solely for the purpose of evaluating the program, confirming energy savings, and for other quality assurance purposes. For more information go to www.snopud.com/privacy-policy/

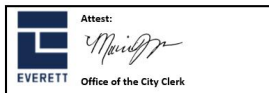
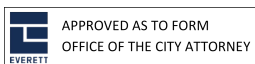
Project Payment (Please select one option below.)

- CUSTOMER RECEIVES PUD INCENTIVE PAYMENT (REBATES)
- CUSTOMER ASSIGNS PUD INCENTIVE PAYMENT (REBATES) TO:

Customer hereby assigns the incentive payment from the PUD for the project at the Facility identified above to the Alternate Payee and hereby authorizes the PUD to pay the incentive payment to the Alternate Payee. Customer understands that Customer will be responsible to pay any additional balance due to the Alternate Payee, should the cost of the project exceed the incentive payment. Customer understands that this Assignment of Funds is entirely optional and by selecting this option Customer acknowledges that it will not receive the payment directly.

By signing below, I certify that I have read, understand, and agree to the terms and conditions above.

SIGNATURE →		04/11/2026	Cassie Franklin	Mayor
	Authorized Signature	Date	Print Name	Title



Custom Incentive Worksheet

PUD APPROVED
 By ST on 4/6/26 2:48PM

Measure Name:

AHU and Controls upgrades

BASELINE

Description

Originally opened in 2002, the 67,128 ft² 4-level office and transit center serves Amtrak & Sounder trains as well as city and regional bus service. Building has 3 McQuay Air-handlers on the roof serving over 80 VAV boxes with electric reheat for offices and the great hall/large atrium. Primarily an electric heat building these is a gas boiler providing tempering of outside air via the air handlers. Domestic hot water is electric. Building is required to comply with WA CBL in 2027 with a target of 71. Early Adopter incentives have been applied for. The 2024 energy use of 8,323,966 kBTU/yr provided and EUI of 124. With some repairs done to VAV controllers to get the building back on a functioning schedule in early 2024, the Baseline Energy period will be from 10-29-2024 to 12-26-2025. Ecam for Excel will be used with TMY3 KPAE (Paine Field) weather corrected model. Adding Gas usage bumps annualized estimated electrical energy to 1,768,358 kWh.

Calculations

See attached file " Everett Station ECAM"		<u>Adjusted Baseline Energy</u>		<u>EUI</u>	kWh/Yrs.:	1,521,852
Model Type:	5P	Electrical	1,521,852 kWh/yr	89.9	Operating Hrs./Yr.:	8,760
R2:	0.832	Gas	246,506 kWh/yr (gas equivalent)		Avg. kW:	173.73
Standard Error:	4.8%	Total	6,033,637 kBTU/yr		Avg. kW @ 8760:	173.73
		Building Area	67,128 ft ²			

PROPOSED

Description

Replace three air-handlers with Daikin Heat Pump air-handlers. Add Energy Recovery Ventilators, Destratification fans in Atrium, and ductless units in some areas. Upgrade controls for updated Open Source Niagara system and Test and Balance system. Inspect building envelope for leak points and seal as required.

Calculations

See attached file " Everett Station ECAM"		<u>Adjusted Baseline Energy</u>		<u>EUI</u>	kWh/Yrs.:	1,100,000
Model Type:	5P	Electrical	1,100,000 kWh/yr	68.4	Operating Hrs./Yr.:	8,760
R2:	0.832	Gas	246,506 kWh/yr		Avg. kW:	125.57
Standard Error:	4.8%	Total	4,594,278 kBTU/yr		Avg. kW @ 8760:	125.57
		Building Area	67,128 ft ²			

Measurement & Verification

Above incentive and energy savings are an estimate. This will be a performance based incentive and will require 6 consecutive months minimum, and up to 12 months, of site monthly billing electrical and gas data. At least 2 of the minimum 6-months of energy data to include 2 consecutive winter months November-February. Anticipate to see both gas and electrical reductions with this major HVAC upgrade. Post energy data will be added to the ECAM model and TMY3 adjusted to estimate the first year annual savings. Any increase in gas usage will be deducted from the electrical savings as to not recognize fuel switching. Project incentive to be capped at \$200,000.00

Metering and/or Trend Logs

Pre-Installation Dates: **10-29-2024 to 12-26-2025**

Post-Installation Dates:

SAVING SUMMARY & FUNDING CALCULATIONS

<p>Savings</p> <p>Incented kWh/Yr. Savings: 421,852</p> <p>Non-Incented kWh/Yr. Savings: <input type="text"/></p> <p>Total kWh/Yr. Savings: 421,852</p> <p>% kWh Savings: 28%</p> <p>Avg. kW Reduction: 48.16</p> <p>Winter Peak kW Reduction: 100.00</p> <p>% Winter Peak Time: 100%</p> <p>% Savings as of Facility Total Use: 28%</p> <p>Avg. Electricity Rates (\$/kWh): \$0.090</p> <p>\$/Yr. Savings: \$37,967</p>		<p>Installation & Cost</p> <p>Installation Type: Retrofits</p> <p>Measure Cost: \$2,220,000.00</p> <p>Cost Type: Total</p> <p>Incremental Cost: N/A <small>(25% of Equipment Cost for New Installation where Incremental Cost is not available.)</small></p>		<p>Customer's Net Cost & ROI</p> <p>Customer's Cost: \$2,097,990.70</p> <p>Measure Simple Payback: 55.3 Yrs</p> <p>ROI: 2%</p>	
		<p>Funding</p> <p>Incentive Category: Equipment</p> <p>\$/kWh Incentive Rate: \$0.275</p> <p>\$/kW Incentive Rate: \$60.00</p> <p>Measure Incentive: \$122,009.30</p> <p>% Incentive as of Cost: 5%</p> <p>Project Development Incentive: \$4,218.52</p>		<p>Winter Peaks</p> <ul style="list-style-type: none"> November through February, Monday through Thursday, 7-9 AM & 5-7 PM Incentive Rate: \$60/kW for 100% Peak Hours. Prorated accordingly. 	
		<p>Notes</p> <p>Blended incentive rate for controls/major equipment upgrades.</p>			












Everett Station 2024-02 BE-C_2026.0407_SD

Final Audit Report

2026-04-13


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 Agreement completed.

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