

**ATTACHMENT A to PSE's Response to
Bench Request No. 001**

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**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

Docket UG-200112

**DECLARATION OF WILLIAM
LANE ON BEHALF OF GRAND
HVAC LEASING USA LLC**

I, William Lane, declare and state as follows.

- 1. I am over the age of 21 and am competent to testify herein.
- 2. I am the Chief Executive Officer and President of Grand HVAC Leasing USA LLC (“GHL”) and have authority to represent and bind GHL in this proceeding.
- 3. GHL is a subsidiary of Grand HVAC Leasing Ltd., which is a wholly-owned subsidiary of Emera, Inc. GHL and Grand HVAC Leasing Ltd. specialize in delivering HVAC, water heating and other energy solutions to residential and commercial customers across North America. GHL has close relationships with utility companies across North America and has experience both providing appliance rental programs to utility customers in collaboration with the utility and acquiring utility-owned appliance rental programs and transitioning its customers to GHL.

1 4. GHL is grateful for the Commission’s consideration of GHL’s offer to
2 acquire Puget Sound Energy’s (“PSE”) water heater rental service and is pleased
3 to provide the commitments requested in Bench Request No. 01 submitted on
4 June 29, 2020. GHL is committed to providing the highest level of customer
5 service to PSE customers.

6 5. As requested in the Bench Request, GHL commits to the following:

7 (a) As set forth in Section 6.4(h) of the GHL-PSE Asset Purchase
8 Agreement (“APA”), and as set forth in the GHL lease agreement
9 attached as Exhibit A to my declaration, GHL will not increase the
10 monthly rental price for existing equipment rented by customers
11 for 24 months.

12 (b) As also set forth in the GHL lease agreement referenced above,
13 GHL will maintain a 4.9 percent cap on any annual price increase
14 of the monthly rental price for customers of the rental service after
15 the 24-month period. As noted, however, in Appendix B to the
16 Settlement Agreement in this proceeding, GHL has never
17 increased rental fees on an existing leases.

18 (c) GHL commits to the service standards set forth in Section 6.4 of
19 the APA and on pages 5-6 of the PSE-GHL Transition Plan.

20 6. GHL reiterates that it is committed to ensuring that the customer transition
21 from PSE to GHL is as seamless as possible, and to maintaining the excellent
22 customer service PSE has provided for decades.

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**I declare under the penalty of perjury under the laws of the
state of Washington that the foregoing is true and correct.**

DATED this 6th day of July 2020, at Waterton Park, Alberta.

William Lane

William Lane

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EXHIBIT A

Terms and Conditions of the Equipment Lease with Grand HVAC Leasing, USA, LLC

Customer's continued use of the rental water heater shall constitute acceptance of the following Terms and Conditions.

1. **Term and Termination.** This Agreement is for a Term of 36 months (the "Term") commencing on [Date] the ("Commencement Date"), and shall renew automatically on a year to year basis unless terminated by you. Your sole method of terminating this Agreement is to purchase the Equipment in "As Is" condition for a value equal to: the total present value of all unpaid and future monthly rental payments due under the Terms of this Agreement where the present value will be calculated by discounting at a rate per annum equal to three percent (3.0%). Customer shall advise of their request to purchase the Equipment by contacting GHL at 1-855-754-0530 or by email at service@grandhvacleasing.com.

2. **Condition of Equipment.** You agree to keep the Equipment in the same condition as when delivered and installed other than normal wear and tear. You have no ownership interest in the Equipment, other than the right to use the Equipment as intended for its ordinary purposes and under the Terms and Conditions herein. You will: (i) maintain effective operation of any system supplying water or electricity to the Equipment; (ii) ensure that no combustible, hazardous or flammable materials are used or stored in the same room near the Equipment; (iii) ensure that the Equipment is not confined in a location where it is difficult to service or remove or where there is inadequate ventilation; (iv) provide GHL or its authorized service representative with access to the Equipment, whenever reasonably required for purposes of inspection, repair, maintenance or removal; (v) ensure that the Equipment is located in an area with sufficient drainage and that such drainage is in proper working order and unrestricted; and (vi) shall not permit anyone who has not been authorized by GHL to service, repair, modify, alter, adjust, move, or disconnect the Equipment.

3. **Service and Repair.** GHL's obligation to Customer is to service and repair the Equipment using third party contractors licensed by the Washington State Department of Labor & Industries (<https://lni.wa.gov/>), and/or the Seattle Department of Construction & Inspections (<http://www.seattle.gov/sdci>). Customer's obligation is to notify GHL of any requested service or maintenance of the Equipment. Customer will not be responsible for any service charges or replacement parts charges except: (i) if you, or a third party not authorized by GHL, install, alter, modify, adjust, damage, service, repair, move or disconnect the Equipment; (ii) if service or repairs are required because the Equipment was used for unintended or unauthorized purposes; (iii) if Equipment requires de-liming, flushing or other repair due to poor water conditions or poor quality of the environment in which the Equipment is situated; (iv) where, piping, wiring, plumbing, or electric services require cleaning, repair, or replacement; (v) if you fail to maintain your Equipment in accordance with the requirements of this Agreement; or (vi) if you fail to fulfill any of your obligations under the Agreement. A minimum service fee of \$100.00 plus any additional charges which may apply for additional services provided shall be charged to your account for Service calls you request which are unrelated to the Equipment, as determined at the sole discretion of GHL including service calls where a person at least 18 years of age is not present in the home or service calls where our access to the Equipment is obstructed. GHL, at its sole discretion, will replace defective Equipment due to issues not caused by you and you shall enter into a new Agreement under the then current Terms and Conditions or this Agreement may be terminated by you in accordance with your obligations under this Agreement.

4. Payments. You shall pay the Total Monthly Payment including applicable taxes each month throughout the entire Term of this Agreement, starting on the Commencement Date, and pay any additional charges which may apply. Your obligation to remit all amounts under this Agreement shall be absolute and unconditional without any hold-back, deduction, abatement, claim for compensation or set-off for any reason. After the first 12 months of this Agreement, GHIL reserves the right to increase the Monthly Payment from time to time, with (i) at least 30 days advance Customer notice and (ii) any increase shall be no more than 4.9% annually. You shall make all payments required to be made under this Agreement to GHIL by (i) pre-authorized, recurring Credit Card payment from a company acceptable to GHIL, or (ii) automatic bank withdrawal (ACH) payment where you authorize GHIL, and the financial institution you designate, to debit your bank account for the full amount of the payment due under the terms of this Agreement, for the entire term of this Agreement. You waive requirement for any notification when a payment shall be or is processed or any adjustment in Monthly Payment or other applicable charges shall apply. You agree to pay a fee of \$25.00 for a pre-authorized payment that is returned or incomplete for any reason. You agree that termination by you of credit card or ACH payments shall in no circumstance reduce your payment obligation, or any other obligation, under this Agreement. You warrant that all credit card or ACH information provided is accurate and for an account in good standing; you are an authorized user of such payment method; and you agree to notify GHIL at least Fifteen (15) days prior to any change to your payment arrangements with us. You agree that GHIL may utilize, assign, or transfer payment services to a third-party at our sole discretion. You have the right to receive reimbursement for a payment debited from your account for which this Agreement does not permit. Please contact GHIL immediately to report any error of payment. You may also obtain a form for a Reimbursement Claim, or for more information on your recourse rights, you may contact your financial institution.

5. Liability. You operate the Equipment at your own risk. You agree to indemnify GHIL from any and all loss or damage related to the Equipment for any reason and all claims, losses or costs that GHIL may suffer, pay or may be required to pay, including legal expenses, in connection with the Equipment, this Agreement or the use and operation of the Equipment, including any claims against GHIL for any injury or death to individuals or damage to property. Your indemnification shall survive termination of this Agreement.

6. Default. You shall be in default of your obligations under this Agreement ("Default") if: (i) you do not make any payment(s) within Thirty (30) days as required by this Agreement; (ii) you encumber the Equipment in any way; (iii) transfer title to the premises where the Equipment is installed without first purchasing the Equipment, unless we have agreed in writing to the assumption of your obligations under this Agreement by the party acquiring title to such premises or such obligation to be paid at the closing of a transfer of title to the premises; (iv) you attempt to transfer or sublet the Equipment; (v) you move, alter, modify or place the Equipment at risk; (vi) you remove or attempt to remove the Equipment from the Premises; (vii) you allow any damage other than that caused by normal wear and tear; (viii) any representation or warranty made by you in entering into this Agreement is untrue or incorrect; or (ix) you fail to abide by any of the terms of this Agreement in any way, you shall be in Default and deemed to have terminated this Agreement per the terms of Termination of this Agreement.

7. Sale of Premises. If you sell your premises, you agree to inform the purchaser and GHIL at least Thirty (30) days before such sale or transfer of the premises that the Equipment is rented pursuant to this Agreement and that this Agreement may either be assumed or bought out. You authorize GHIL to respond to information requests relating to your account made by or on behalf of the purchaser. You shall contact GHIL to inform us of any proposed assignment and you and the purchaser shall undertake all acts and provide and sign all documents as may be required giving effect to the assignment or purchase of this

Agreement to the purchaser. If this Agreement is not bought out or assumed by purchaser in full and at any closing, for any reason, you shall remain solely obligated under the terms of this Agreement.

8. Assignment. GH L may as and by way of security or absolutely, at any time, without your consent or notice to you, assign or create a security interest in our right, title or interest in this Agreement, payments under this Agreement or in the Equipment described herein to any assignee or purchaser of contracts or payments.

9. Personal Information. You consent that your personal information, included as part of your Agreement with us, but not limited to, your account, credit, and billing history, may be collected, used and maintained by us for the purposes of managing your account with GH L. You agree that GH L may provide your information to our lenders, potential lenders, assignees, or purchasers of Agreements or payments. You consent to our recording all telephone conversations between you and GH L and/or any lender, assignee or purchaser and that we may retain all such recordings. You also consent to GH L contacting you at the telephone number(s) and/or email(s) you have provided. You may revoke your consent to record or to contact by informing GH L by phone, by email or by letter. If you have any questions regarding your personal information, please contact GH L 1-855-754-0530 or by email at service@grandhvacleasing.com

10. Miscellaneous. This Agreement and these terms and conditions makeup the entire Agreement between GH L and you and this Agreement is binding upon you and your permitted successors and assigns. Time is of the essence of this Agreement. This Agreement will be governed by and construed in accordance with the laws of the State of Washington, applicable therein. Venue for any action under this Agreement shall lie in King County, Washington. Information requests by any person(s) other than you shall be verified, unless otherwise stated in this Agreement, and are subject to administration charges as set from time to time by GH L. You agree that if a provision of this Agreement is void or unenforceable in any jurisdiction is, as to that jurisdiction, void only to the extent of such provision, without invalidating the remaining provisions or the invalid provision with respect to any other jurisdiction. You agree that all our rights are cumulative and not alternative and may be exercised by us separately or together in any order or combination.

11. Buyer's Rights to Cancel. You have the right to cancel a sale made at your home, workplace or dormitory, or at a seller's temporary location at any time prior to midnight of the Third (3rd) business day after the date of this transaction. YOU DO NOT NEED A REASON TO CANCEL. To cancel, you must notify GH L by one of: (i) in writing, at 100 South Ashley Drive, Suite 600, Tampa, FL 33602, ii) by phone at 1-855-754-0530; or (ii) email service@grandhvacleasing.com no later than midnight of the third business day following the signing of the contract. A business day under this law includes any calendar day except Sunday or holidays. Within Fifteen (15) days of receiving your cancellation notice, the GH L must return your payment, if any. Within that Fifteen (15) day period, you must allow GH L to pick up the Equipment at your address, or if GH L requests, and you agree, you may ship the Equipment back at the GH L's expense and risk. If GH L does not pick up the Equipment within 90 days of the date of the notice of cancellation, the title to the Equipment will transfer to you. You may also have other rights, duties and remedies at law. For additional information: Tel: 1-855-754-0530; Email: service@grandhvacleasing.com; Address: Grand HVAC Leasing USA, LLC. 100 South Ashley Drive, Suite 600, Tampa, FL 33602.

Customer Print Name

Customer Signature

Date

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