

**Exhibit A to BQDM Program Agreement  
Form of Letter of Credit**

IRREVOCABLE STANDBY LETTER OF CREDIT FORMAT<sup>1</sup>  
(ISP Form)

Issuing Bank<sup>2</sup>: \_\_\_\_\_  
Date and Place of Issue: \_\_\_\_\_  
Letter of Credit No.: [\_\_\_\_\_]   
Stated Amount: US [\$ \_\_\_\_\_ ] ([in words] United States Dollars)  
Expiration Date: \_\_\_\_\_ \_\_, 20\_\_

Beneficiary's Name and Address: Consolidated Edison Company of New York, Inc.  
4 Irving Place  
New York, New York 10003  
Attn: Energy Efficiency - Section Manager  
elcockg@coned.com

Applicant's Name and Address: [ \_\_\_\_\_ ]  
(“Applicant”)

To Beneficiary:

We hereby issue this irrevocable standby letter of credit no. [ \_\_\_\_\_ ] (“Letter of Credit”) in the favor of Consolidated Edison Company of New York, Inc. (together with its successors and permitted assigns, the “Beneficiary”) for the account of the Applicant for up to the aggregate amount stated above (“Stated Amount”). Drawing(s) made under in accordance with the terms and conditions of this Letter of Credit will be duly honored. This Letter of Credit is effective as of [ \_\_\_\_\_ ].

Funds under this Letter of Credit, in an amount not to exceed the Stated Amount, will be made available to you upon your presentation to us of one or more of the following statements (the “Beneficiary Statement”), dated and signed by a representative of the Beneficiary:

1. “This Letter of Credit No. [\_\_\_\_\_] will expire in thirty (30) days or less and Beneficiary has not received an extension of said Letter of Credit or a substitute Letter of Credit in accordance with that certain Brooklyn Queens Demand Management Program Agreement dated [ \_\_\_\_\_ ] between [ \_\_\_\_\_ ] and Consolidated Edison Company of New York, Inc. (as amended and in effect from time to time, including the BQDM DR Auction Rules incorporated by reference therein and forming a part thereof, the “Agreement”). Wherefore, Beneficiary hereby demands payment of the above referenced amount”;

Or

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<sup>1</sup> This letter of credit is transferable by Beneficiary to purchasers of substantially all of Beneficiary's assets.

<sup>2</sup> Issuing Bank must have credit rating of at least (i) “A-” by Standard & Poor's Rating Services (“S&P”) and “A3” by Moody's Investors Service, Inc. (“Moody's”), if rated by both S&P and Moody's or (ii) “A-” by S&P or “A3” by Moody's, if rated by either S&P or Moody's, but not both.

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2. “[ ] has failed to comply with the terms and conditions of that certain Brooklyn Queens Demand Management Program Agreement dated [ ] between [ ] and Consolidated Edison Company of New York, Inc. (as amended and in effect from time to time, including the BQDM DR Auction Rules incorporated by reference therein and forming a part thereof, the “Agreement”). Wherefore, Beneficiary hereby demands payment of the above referenced amount under Letter of Credit No. \_\_\_\_\_”;

Or

3. “This Letter of Credit No. [ ] has not been amended, and no additional or substitute letters of credit have been posted, to increase the total stated amount hereof and thereof in accordance with that certain Brooklyn Queens Demand Management Program Agreement dated [ ] between [ ] and Consolidated Edison Company of New York, Inc. (as amended and in effect from time to time, including the BQDM DR Auction Rules incorporated by reference therein and forming a part thereof, the “Agreement”). Wherefore, Beneficiary hereby demands payment of the above referenced amount”<sup>3</sup>;

Or

4. “The issuing bank of this Letter of Credit does not satisfy the Minimum Credit Rating (as defined in the Agreement) required by that certain Brooklyn Queens Demand Management Program Agreement dated [ ] between [ ] and Consolidated Edison Company of New York, Inc. (as amended and in effect from time to time, including the BQDM DR Auction Rules incorporated by reference therein and forming a part thereof, the “Agreement”) and Applicant has failed to timely provide a substitute letter of credit from an acceptable issuer in accordance with the Agreement. Wherefore, Beneficiary hereby demands payment of the above referenced amount under Letter of Credit No. \_\_\_\_\_.”

Special Conditions

1. Payment under this Letter of Credit will be effected per your instructions against a Beneficiary Statement presented at [ ] (“Place of Presentation”). Such presentation may be made (i) in person, (ii) by first class certified and registered U.S. mail, (iii) by overnight mail, or (iv) via fax to \_\_\_\_\_ [ ]. A presentation via fax shall be effective upon receipt of the fax.
2. Partial and/or multiple drawings are permitted. Such partial drawings shall reduce the amount thereafter available for drawing under this Letter of Credit (unless the Stated Amount is thereafter restored as required by the Agreement).
3. All Issuing Bank charges are for the account of Applicant.
4. Any communications to us with respect to this Letter of Credit shall be addressed to the Place of Presentation and refer to “Letter of Credit No. [ ]”.
5. A copy of any communication to the Beneficiary shall also be delivered by hand to, or sent by overnight mail or overnight courier addressed to: Consolidated Edison Company of New York, Inc., 4 Irving Place, New York, NY 10003, Attention: Deputy General Counsel.

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<sup>3</sup> Applies only to BQDM DR Providers.

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6. This Letter of Credit shall be governed by the International Standby Practices – ISP 98, 1998 Version, International Chamber of Commerce Publication No. 590 (the "ISP"), provided, however, that where the ISP is silent, this Letter of Credit shall be governed by New York law, without reference to its choice of law provisions; and provided further that to the extent that the terms hereof are inconsistent with the provisions of the ISP, including but not limited to Rules 2.01 and/or 5.01 of the ISP, in which case the terms of this Letter of Credit shall govern. With respect to Rules 2.01 and 5.01 of the ISP, the Issuing Bank shall have a reasonable amount of time, not to exceed two (2) Business Days following the date of its receipt of documents from the Beneficiary, to examine the documents and determine whether to take up or refuse the documents and to inform the Beneficiary accordingly.
7. Documents drawn under and in compliance with the terms of this Letter of Credit shall be duly honored upon presentation as specified. In addition, the Issuing Bank's undertaking under this Letter of Credit shall in no event be contingent upon reimbursement with respect to any drawing hereunder or upon its ability to perfect any security interest or other lien.
8. This Letter of Credit may not be amended, changed or modified, or limited by reference to any document, instrument, contract or agreement referred to herein or in which this Letter of Credit is referred to, or to which this Letter of Credit relates, and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement, without the express written consent of the Beneficiary, the Issuing Bank and the Applicant.

Very truly yours,