

File No. 091369

Committee Item No. 9  
Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 12/9/09

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report                        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Analyst Report                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Introduction Form (for hearings)             |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
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#### OTHER

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Completed by: Gail Johnson

Date 12/4/09

Completed by: \_\_\_\_\_

Date \_\_\_\_\_

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.



1 [Revenue Contract with PG&E for Energy Conservation Programs.]

2  
3 **Resolution authorizing the Department of the Environment under Charter Section 9.118**  
4 **to enter into a contract for up to \$11,540,000 with Pacific Gas and Electric Company**  
5 **("PG&E"), to implement an Energy Use and Demand Reduction Through Energy**  
6 **Efficiency Program in the City and County of San Francisco.**

7  
8 WHEREAS, California Public Resources Code Section 381 requires electrical  
9 companies to collect a surcharge on all retail sales, called "the Public Goods Charge," and  
10 turn that money over to the California Public Utilities Commission ("the CPUC"); and

11 WHEREAS, Section 381 authorizes the CPUC to allocate that money to fund programs  
12 that enhance system reliability and provide in-state benefits, including cost-effective energy  
13 efficiency, renewable energy technologies, and public interest research; and

14 WHEREAS, The City, through the Department of the Environment, and the Pacific Gas  
15 and Electric Company ("PG&E") have, since 2003, entered into a series of contracts and  
16 contract modifications to conduct energy efficiency programs in the City using Public Goods  
17 Charge funds allocated for this purpose by the CPUC through PG&E; and

18 WHEREAS, The CPUC, at its regular meeting of September 24, 2009 made an initial  
19 award of \$12,000,000 of Public Goods Charge revenues to fund the partnership program  
20 between PG&E and the City for additional energy efficiency programs; and

21 WHEREAS, The Department of the Environment has negotiated a new revenue  
22 contract with PG&E ("the 2010-2012 Contract"), a copy of which is on file with the Clerk of the  
23 Board in File No. 091369; and

24 WHEREAS, The proposed Contract provides, in relevant part, that:  
25

- 1 • PG&E shall fund the design and implementation of local programs to reduce
- 2 energy use;
- 3 • The City shall offer a broad spectrum of energy efficiency programs and
- 4 services targeting mainly small businesses and multifamily PG&E customers in
- 5 San Francisco, including free energy assessments and discounted installations
- 6 of energy efficient lighting, refrigeration, and HVAC means, and, on a case-by-
- 7 case basis, incentives for calculated non-residential retrofit-demand response
- 8 projects;
- 9 • The term of the contract shall be from 2010 through 2012;
- 10 • The contract budget shall be \$11,540,000; and
- 11 • The City may terminate the contract if the City becomes a Community Choice
- 12 Aggregator.

13 WHEREAS, PG&E may consider adding additional funds to the contract based on  
14 program performance and the successful completion of goals; and

15 WHEREAS, Under the contract, the Director of the Department of the Environment will  
16 have the authority for overall implementation of the contract, to enter into subcontracts for the  
17 work, and to modify the scope of the work and to add work as agreed by PG&E; and

18 WHEREAS, The activities to be funded under the 2010-2012 Contract would further the  
19 goals established in the City's 2003 Electricity Resource Plan, which goals include:  
20 maximizing energy efficiency; reducing air pollution and other adverse environmental impacts;  
21 and promoting environmental justice; and

22 WHEREAS, Charter Section 9.118 provides that the Board of Supervisors must  
23 approve contracts, and amendments to contracts, having anticipated revenues to the City of  
24 one million dollars or more; now, therefore, be it

1 RESOLVED, That pursuant to Charter Section 9.118, the Board of Supervisors  
2 authorizes the Director of the Department of the Environment to enter into a contract in  
3 substantially the form of the 2010-2012 Contract on file in Board File No. 091369, and to take  
4 other steps that the Director and the City Attorney deem necessary and advisable to  
5 effectuate the purpose and intent of this Resolution; and, be it

6 FURTHER RESOLVED, That the Director of the Department of the Environment may,  
7 with the approval of the City Attorney; negotiate and agree with PG&E to amend the contract  
8 terms as necessary and advisable to allow flexibility in program design and implementation,  
9 provided that: (1) there is no additional cost to the City; (2) additional revenues to the City do  
10 not exceed \$3,000,000; and (3) the additional term of the agreement does not exceed three  
11 years.



Item 9 - File 09-1369

**Departments:** Department of the Environment (DOE)

**Item:** Resolution authorizing the Department of the Environment (DOE) to enter into a contract not-to-exceed \$11,540,000 with Pacific Gas and Electric Company (PG&E), to implement the City's Energy Use and Demand Reduction through Energy Efficiency Program, otherwise known as the SF Energy Watch Program.

**Amount of Contract:** Not-to-exceed \$11,540,000

**Term of Contract:** Three years, from January 1, 2010 through December 31, 2012.

**Source of Funds:** The California Public Utilities Commission (CPUC) has authorized PG&E to spend \$1,338,000,000 on energy efficiency and renewable energy projects Statewide for the CY 2009-2011 program cycle<sup>1</sup>. The projects are funded by Public Goods Funds, collected from charges to utility ratepayers<sup>2</sup> as administered by individual utility companies, including PG&E, and regulated by the CPUC. Of the \$1,338,000,000 in authorized funds, CPUC earmarked \$11,540,000 for the SF Energy Watch Program.

**Description:** Under the proposed resolution, DOE would enter into a new contract with PG&E, in which PG&E would allocate \$11,540,000 of the CPUC Public Goods Funds to DOE for the three-year period from January 1, 2010 through December 31, 2012, to operate the SF Energy Watch Program

The SF Energy Watch Program provides free energy savings assessments of appliances and installation of reduced-cost energy efficient appliances for small and mid-sized businesses and multi-family residences located in San Francisco. The DOE staff assess the appliances of small and mid-sized businesses for energy efficiency. Based on these assessments, DOE contractors install new

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<sup>1</sup> From January 1, 2009 through December 31, 2011

<sup>2</sup> Charges to the utility ratepayers include electricity and gas.

energy efficient lighting, refrigeration, heating, air conditioning, food service, and other appliances. The goal of the SF Energy Watch Program is to reduce electricity and natural gas consumption in the City.

**Fiscal Impact:** Table 1 below provides an estimated summary budget for the proposed contract of \$11,540,000.

**Table 1: Proposed CY 2010-2012 Budget for SF Energy Watch Program**

	<u>CY 2010 Subject Funds</u>	<u>CY 2011 Subject Funds</u>	<u>CY 2012 Subject Funds</u>	<u>Total</u>
Administration/Management (DOE Personnel)	\$384,667	\$384,667	\$384,666	\$1,154,000
Marketing & Special Outreach Implementation (DOE)	230,800	230,800	230,800	692,400
Implementation (Consultants)	615,467	615,467	615,466	1,846,400
Incentives*	692,400	692,400	692,400	2,077,200
	1,923,333	1,923,333	1,923,334	5,770,000
<b>Total Estimated Budget</b>	<b>\$3,846,667</b>	<b>\$3,846,667</b>	<b>\$3,846,666</b>	<b>\$11,540,000</b>

\* Incentive dollars paid to Business Owners and Contractors to underwrite costs of energy efficiency improvements to commercial and multifamily properties

Ms. Ann Kelly, SF Energy Watch Program Manager, advises that a detailed budget for the subject \$11,540,000 will not be finalized until after PG&E approves DOE's Program Management Plan<sup>3</sup> for CY 2010-2012. According to Ms. Kelly, DOE's Program Management Plan is due to PG&E within 45 days after the proposed contract is approved and signed.

As noted on pages 1 and 2 of the Attachment, provided by Mr. Jared Blumenfeld, Director of DOE, the DOE originally requested \$18,000,000 from PG&E to fund the SF Energy Watch Program. Although under the proposed contract, PG&E has only allocated \$11,540,000 to DOE,

<sup>3</sup> After the contract between the DOE and PG&E is approved by the Board of Supervisors, for DOE to continue to operate the SF Energy Watch Program, the DOE will submit a SF Energy Watch Program Management Plan to PG&E, which includes: (a) implementation process; (b) incentive structure; (c) program dates; (d) eligibility requirements; (e) process for providing incentives; (f) IRS 1099 reporting procedures; (g) dispute tracking and resolution procedures; (h) strategic plan reporting; and (i) eligible product specification or standards.



Memo to Budget and Finance Committee  
December 9, 2009 Budget and Finance Committee Meeting

the DOE anticipates receiving an additional \$6,460,000 for the CY 2010-2012 cycle, or a total of \$18,000,000 over the three-year period. As stated on page 1 of the Attachment, PG&E has indicated that PG&E will work with DOE to obtain the \$6,460,000 in additional funds from the State CPUC, or by shifting funds from other poorly performing energy-efficiency programs conducted under PG&E contracts with other entities. Such additional funds could be subject to Board of Supervisors approval (see Comment No. 2).

**Comments:**

1. On August 17, 2006, the Board of Supervisors approved a three-year contract, for the CY 2006-2008 program cycle, from January 1, 2006 through December 31, 2008, between the Department of the Environment (DOE) and PG&E for up to \$10,709,302 of CPUC Public Goods Funds<sup>4</sup>, which enabled the DOE to implement the SF Energy Watch Program (File No. 06-1070).

In July 2008, PG&E submitted an application to the CPUC to fund additional energy efficiency and renewable energy projects Statewide for the CY 2009-2011 program cycle<sup>5</sup>. According to Ms. Kelly, the CPUC anticipated delays in the CPUC's approval of PG&E's CY 2009-2011 application, and therefore, on October 16, 2008, authorized PG&E to grant "bridge" funds totaling \$2,990,000 to San Francisco to ensure that funding for the SF Energy Watch Program continued after expiration of the original contract on December 31, 2008. Therefore, the original contract between the DOE and PG&E was increased by \$2,990,000 (from \$10,709,302 to \$13,699,302) and extended through May 31, 2009 (for a total contract term from January 1, 2006 through May 31, 2009). The \$2,990,000 increase in the original contract between DOE and PG&E did not require Board of Supervisors approval because File No. 06-1070 authorized the Director of DOE to amend the contract, as necessary,

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<sup>4</sup> The CPUC Public Goods Funds must be used to fund energy efficiency and renewable energy projects. In 2005, PG&E submitted an application to the State CPUC to fund such projects for the CY 2006-2008 CPUC program cycle totaling \$867,500,000, which was approved by the State CPUC in March 2006. Of the \$867,500,000, \$200,000,000 funds partnerships with three State institutions and 16 local governmental agencies in California, including \$10,709,302 specifically earmarked for the DOE's SF Energy Watch Program.

<sup>5</sup> From January 1, 2009 through December 31, 2011

provided that (a) there was no cost to the City, and (b) the additional revenues did not exceed \$3 million.

On April 1, 2009, PG&E granted DOE an additional \$3,700,000 in "bridge" funding, which was approved by the Board of Supervisors on May 20, 2009 (File No. 09-0370). According to Ms. Kelly, the DOE has until December 31, 2009 to expend the "bridge" fund total amount of \$6,690,000 (\$2,990,000 plus \$3,700,000). Any unspent "bridge" monies as of December 31, 2009 will remain in the Public Good Funds account. As of October 31, 2009, the DOE has spent \$3,682,510 of the \$6,690,000 in "bridge" funds and plans to expend approximately \$1,000,000 more by the end of December, 2009.

2. Under the proposed contract between the DOE and PG&E, the Director of the DOE could amend the contract up to an additional \$3,000,000, without obtaining additional approval from the Board of Supervisors. However, if the DOE receives the additional anticipated \$6,460,000 from PG&E, Ms. Kelly advises that the DOE would submit subsequent legislation to the Board of Supervisors for approval of the remaining \$3,460,000 (\$6,460,000 less \$3,000,000).

**Recommendation:** Approve the proposed resolution.



**SF Environment**

**Our home. Our city. Our planet.**



GAVIN NEWSOM  
Mayor

JARED BLUMENFELD  
Director

# Memo

To: Budget Analyst  
From: Jared Blumenfeld, Director  
CC: Ann Kelly, Energy Watch Program Manager  
Date: December 3, 2009  
Re: Expected Shortfall in Funding for SF Energy Watch Program

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The Department of the Environment is currently implementing SF Energy Watch, a program that provides free energy savings assessments and low-cost energy efficiency installations for San Francisco's mid and small-sized businesses, and for multi-family residences. The program covers lighting, refrigeration, heating, air conditioning, food service equipment, and more.

SF Energy Watch has made a significant impact towards meeting City goals for reducing energy use and greenhouse gas emissions. Since January, 2007, the program has reduced residential and non-residential electricity consumption in San Francisco by 65 million kilowatt hours per year, resulting in a savings of over \$9,000,000 in energy bills annually and reducing carbon emissions by over 21,000 tons.

SF Energy Watch is funded through the Public Goods Charge, a fee PG&E and other utilities regulated by the California Public Utilities Commission (CPUC) add to monthly utility bills to be spent on energy efficiency projects. In order to spend these funds the Department must enter into a contract with PG&E as a Local Government Partnership.

Our Department submitted a proposal to PG&E for \$18 million to continue SF Energy Watch for the next 3-year program cycle. This amount was in keeping with the program's performance rate and actual operational expenses—or approximately \$6 million per year. When PG&E subsequently submitted their portfolio of programs to the CPUC, they requested only \$12 million for San Francisco.

On September 24, 2009, the CPUC issued a Decision authorizing funding for energy efficiency programs during 2010-12. PG&E's authorization was \$295 million less than requested. As a result, PG&E then reduced its \$12 million request for SF Energy Watch from \$12 million to \$11,540,000.

During contract negotiations, PG&E has acknowledged that if the program continues at its current rate, it will run out of funds before the end of 2011, over a full year short of the program cycle. Neither the Department nor

PG&E has any intention of scaling back our current level of effort. Time is of the essence in meeting the challenge of climate change and thus the Department intends to move ahead at its current pace and pursue several options to augment funding as we move ahead. PG&E has the ability to shift funds from poorly performing programs to more successful ones during the program cycle. Also, there will be additional funds made available periodically for local government projects. Should such possible increments still not be sufficient to meet our needs, PG&E has indicated that it would consider joining the City in appealing directly to the CPUC for increased funding based on program achievements and ability to exceed goals.

Historically, funding decisions at the CPUC are unpredictable and can be repeatedly delayed. The Resolution includes the ability for the Director of the Department, with the approval of the City Attorney to amend the contract with PG&E in an amount not to exceed \$3 million. This ability of the Director to respond quickly to funding increments has been part of Resolutions on two prior contracts with PG&E, and in both situations, exercising this authority has prevented staff layoffs and interruption in program services. As we undertake another contract with PG&E, this time with very probable shortfalls of \$6 million or more, we expect to exercise this authority again, this time to be able to both continue the program and to buy the time needed to return to Board with a further request that will specifically reflect the funding situation as it stands at the time.

The accompanying tables show budget projections under 2 scenarios: The first is the Approved Budget over a three year period, cutting back operations by one-third. The second represents the requested budget over 3 years operating at our current level showing our expected spending rate.

Estimated CY 2010-2012 Budget of the San Francisco Energy Watch Program

**Approved Budget of 11,540,000.  
over 3 Years**

	<u>CY 2010 Subject Funds</u>	<u>CY 2011 Subject Funds</u>	<u>CY 2012 Subject Funds</u>	<u>Total</u>
Administration/Management (DOE Personnel)	\$384,667	\$384,667	\$384,666	\$1,154,000
Marketing & Special Outreach	230,800	230,800	230,800	692,400
Implementation (DOE)	615,467	615,467	615,467	1,846,400
Implementation (Consultants)	692,400	692,400	692,400	2,077,200
Incentives*	1,923,333	1,923,333	1,923,333	5,770,000
<b>Total Estimated Budget</b>	<b>\$3,846,667</b>	<b>\$3,846,667</b>	<b>\$3,846,666</b>	<b>\$11,540,000</b>

\* Incentive dollars paid to Business Owners and Contractors to underwrite costs of energy efficiency improvements to commercial and multifamily properties

**Proposed Budget of 18,000,000.  
over 3 Years**

	<u>CY 2010 Subject Funds</u>	<u>CY 2011 Subject Funds</u>	<u>CY 2012 Subject Funds and Contingency</u>	<u>Total</u>
Administration/Management (DOE Personnel)	\$600,000	\$600,000	\$600,000	\$1,800,000
Marketing & Special Outreach	360,000	360,000	360,000	1,080,000
Implementation (DOE)	960,000	960,000	960,000	2,880,000
Implementation (Consultants)	1,080,000	1,080,000	1,080,000	3,240,000
Incentives*	3,000,000	3,000,000	3,000,000	9,000,000
<b>Total Estimated Budget</b>	<b>\$6,000,000</b>	<b>\$6,000,000</b>	<b>\$6,000,000</b>	<b>\$18,000,000</b>

\* Incentive dollars paid to Business Owners and Contractors to underwrite costs of energy efficiency improvements to commercial and multifamily properties



## 2010-2012 DRAFT

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**2010-2012 DRAFT**

EXHIBIT 1 - PG&E Supplier Diversity Program Policy

EXHIBIT 1A - List of Subcontractors/Subsuppliers and Disbursement Record

EXHIBIT 2 - Policy Regarding Utilization of Small business Concerns and Small Disadvantaged Business Concerns

EXHIBIT 3 - Injury and Illness Prevention Program Compliance Certificate



## GENERAL CONDITIONS

### 1.0 DEFINITIONS

- 1.1 "Acceptance" or "Accepted": When CCSF is notified by PG&E that all of the conditions of Acceptance have been met as set forth in this Contract.
- 1.2 "Approved Equivalent": An item approved by PG&E as being acceptable as a substitute for a specified item.
- 1.3 "As directed," "as required," "as permitted," "approved," "written approval," "approval" "acceptable," "satisfactory," or similar terms, whether appearing as capitalized or lower case words, shall mean by or to PG&E unless otherwise specified.
- 1.4 [Intentionally left blank]
- 1.5 "Contract": This agreement between PG&E and CCSF for the Work under the Specifications.
- 1.6 "Contractor" or "CCSF ": City and County of San Francisco acting by and through its Department of the Environment, the Party entering into this Contract with PG&E for the Work.
- 1.7 [Intentionally left blank]
- 1.8 "Days": Shall mean calendar days, unless otherwise specified.
- 1.9 "Energy Watch Partnership Program": or "Program": PG&E's Energy Watch Partnership Program as approved by the California Public Utilities Commission in Decision 05-09-043 and subsequent decisions, under which PG&E is working with various cities, counties, and other political entities to achieve energy savings in its service territory.
- 1.10 "Hazardous Material" and "Hazardous Waste": Any material defined as such in any local, state or federal rule, regulation, law or code for the location in which the Work is performed. This includes, but is not limited to, the definition of Hazardous Material and Hazardous Waste set forth in the California Health and Safety Code, Division 20, Chapter 6.95.
- 1.11 "Party" or "Parties": PG&E or CCSF or both.
- 1.12 "PG&E": Pacific Gas and Electric Company.
- 1.13 [Intentionally left blank] 1.14 "Specifications": These General Conditions, the Specific Conditions, and any addenda to them, including other documents specified in the Table of Contents hereto.
- 1.15 "Subcontract": An agreement between CCSF and a contractor or between CCSF contractors and other parties at any level for a portion of the Work.
- 1.16 "Subcontractor": Party or parties entering into a Subcontract with CCSF or its Subcontractor(s) to perform Work. The obligations of CCSF, where set forth in this Contract, shall also apply to Subcontractors, regardless of level or tier.
- 1.17 "Work": Labor, supervision, materials, equipment and all requirements specified in the Contract.

### 2.0 LEGAL REQUIREMENTS

- 2.1 Permits and Rules: CCSF and/or its Subcontractors shall, without additional cost to PG&E, obtain any required permits and licenses, serve notices, arrange for inspection and pay fees and deposits. Work shall comply with applicable governmental rules, regulations and ordinances.

- 2.2 Equipment Design: Equipment and material furnished hereunder shall be so designed and fabricated that when installed it will comply with applicable laws, rules, and regulations. Expenses incurred in complying with these requirements shall be included in the Contract prices.

### 3.0 ROYALTIES, LICENSE FEES, INFRINGEMENT PROTECTION

- 3.1 ROYALTIES AND LICENSE FEES: Royalties, license fees or other charges for patents, copyrights, licenses or other intellectual property for designs, processes, machinery, equipment, technology, published or unpublished data, information or materials, including but not limited to, manuals, computer programs or other deliverables furnished by CCSF for the Work, or for processes or methods employed by CCSF in performing the Work, shall be included in the Contract prices.

- 3.2 INFRINGEMENT PROTECTION: PG&E and CCSF agree that all marketing materials and other photographic, artwork and written materials used during the performance of the Work may be provided by PG&E or may be created by CCSF and its Subcontractors using materials provided by PG&E, original materials, or materials obtained from other sources, including without limitation, over the internet. Each Party hereby represents that the materials it provides to the other Party or prepares under this Contract will not infringe upon the copyright, patent or license, or otherwise violate the proprietary rights, including trade secret rights, of any person or entity. In the event that a suit, demand or claim is made against either or both Parties alleging that PG&E's or CCSF's use or preparation of materials in the performance of the Work infringes upon the intellectual property rights, including without limitation, the copyright, patent, license, or other proprietary right, including trade secrets rights, of a third party, the Parties agree that such suit, demand or claim is covered under the provisions of Section 7.0 below.

In addition to the foregoing, if an infringing use by CCSF or its Subcontractors is discovered, CCSF agrees at PG&E's option to either procure for PG&E the right to continue using the material, replace the material with non-infringing material, or modify it so it becomes non-infringing, or remove the item and refund the applicable portion of the Contract price; provided, however that the replaced or modified material shall be equal to that contracted for hereunder and satisfactory to PG&E.

- 3.3 SUBCONTRACTOR INDEMNIFICATION: CCSF shall require the following language in all contracts with its Subcontractors in order to specifically indemnify CCSF and PG&E for intellectual property infringement violations by such Subcontractors:

[Vendor] represents to [CCSF] that the material to be prepared under this Contract will not infringe upon the copyright, patent or license, or otherwise violate the proprietary rights, including trade secret rights, of any person or entity. Furthermore, except where CCSF or PG&E have provided [Vendor] materials from a third party source and such provided materials are alleged to have infringed, [Vendor] agrees to indemnify and hold CCSF and PG&E (including PG&E's affiliates, subsidiaries, parent company, officers, directors, managers, agents and employees) harmless from and against any and all liabilities, costs and damages arising out of any such infringement, and from any suit, demand or claim made against CCSF or PG&E alleging any such infringement or violation. In addition to the foregoing, if there is any such suit, demand or claim, [Vendor] agrees at PG&E's option and as soon as possible to either procure for CCSF and PG&E the right to continue using the material, replace the material with non-infringing material, or modify it so it becomes non-infringing; provided, however that the replaced or modified material shall be equal to that contracted for hereunder and satisfactory to CCSF and PG&E. [Vendor] further agrees to pay any judgment or reasonable settlement offer resulting from a suit, demand or claim, and pay any reasonable attorney's fees incurred by CCSF or PG&E in defense against such suit.

### 4.0 DAMAGES; PRIOR WORK

- 4.1 RISK OF LOSS OR DAMAGE TO WORK: Until the Work is completed and accepted by PG&E, the risk of loss or damage to the Work shall remain with CCSF. No damages or extras will be allowed for unforeseen difficulties or obstructions.
- 4.2 INCIDENTAL AND CONSEQUENTIAL DAMAGES: NEITHER PG&E NOR CCSF SHALL BE LIABLE FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF REVENUES OR PROFITS, COMMITMENTS TO

SUBCONTRACTORS, RENTAL OR LEASE AGREEMENT(S), AND PERSONAL SERVICES  
CONTRACTS, UNLESS EXPRESSLY AUTHORIZED IN WRITING BY THE OTHER PARTY.

- 4.3 PRIOR WORK; Services performed by CCSF pursuant to PG&E's authorization, but before the execution of this Contract, shall be considered as having been performed subject to the provisions of this Contract.

5.0 AMENDMENT, SUBCONTRACTS, AND ASSIGNMENT

- 5.1 MODIFICATIONS: No modification to this Contract shall be binding or effective unless expressly set forth in writing and signed by both PG&E's representative and CCSF's representative (including the Director of the Department of the Environment as authorized by the CCSF Board of Supervisors) authorized to execute such modification. Any such modification shall be approved as to form by PG&E's Law Department and by the City Attorney or his designee. No oral statement will modify or otherwise affect the terms and conditions of this Contract.

- 5.2 SUBCONTRACTS: CCSF shall not enter into, change or add Subcontracts without the prior approval of PG&E. PG&E's approval of any Subcontract shall not relieve CCSF of CCSF's obligation to PG&E under this Contract. The provisions and obligations of this Contract shall apply to any Subcontract and CCSF shall be responsible to PG&E for any damages to PG&E arising out of Subcontracts not in accordance with this Contract. Nothing in this Contract shall create any contractual relations between a Subcontractor and PG&E.

- 5.2.1 CCSF shall ensure that, if it elects to perform a bid process to select Subcontractors, the bid process is conducted fairly and that all bidders have equal access to the information required to submit a complete bid.

5.3 ASSIGNMENT

- 5.3.1 Neither Party may assign any of its rights, voluntarily or involuntarily, whether by operation of law or any other manner, or delegate any performance under this Contract, without the prior written consent of the other Party. Any purported assignment or delegation of performance in violation of this provision is void. Subject to the foregoing, this Contract is binding upon and shall inure to the benefit of the successors and assigns of the Parties.

- 5.4 Notwithstanding Section 5.1, Exhibits to these General Conditions and Attachments and Exhibits to the Specific Conditions may be amended or modified by written agreement of the PG&E Program Manager and the CCSF Representative.

- 5.5 PROGRAM MODIFICATIONS: If PG&E's Energy Watch Partnership Program is modified in any way or terminated by order of any governmental entity, CCSF and PG&E agree that they will, immediately upon notice of such decision, negotiate in good faith to modify or terminate this Contract accordingly, consistent with Sections 5.1 (MODIFICATIONS) and 27 (CANCELLATION OF CONTRACT) of this Contract. In the event the Parties are unable to reach agreement concerning such modification or termination, the Parties will follow the provisions of Section 43 (DISPUTE RESOLUTION).

- 6.0 BOND: If requested by PG&E, CCSF or its Subcontractor shall, within 15 days of request, obtain a payment and performance bond in the amount specified by PG&E up to 100 percent of the cost of materials or equipment ordered by either CCSF or its Subcontractor and with a surety acceptable to PG&E. PG&E will reimburse CCSF for the bond within 21 days of receipt from CCSF of the surety company's invoice. PG&E agrees that it will limit any such bond request to situations where CCSF or its Subcontractor intends to spend over \$100,000 on materials or equipment.

7.0 INDEMNIFICATION

7.1 INDEMNIFICATION

- 7.1.1 CCSF shall indemnify, hold harmless and defend PG&E, its affiliates, subsidiaries, parent company, officers, managers, directors, agents, and employees, from and against all

claims, demands, losses, and liability (legal, contractual, or otherwise), by whomever asserted which arise from or are in any way connected with any acts or omissions of CCSF, its officers, managers, directors, commissioners, agents (including its Subcontractors) and employees, in carrying out the Work under this Contract, except those arising by reason of the sole negligence or willful misconduct of PG&E, its affiliates, subsidiaries, parent company, officers, managers, employees and agents.

- 7.1.2 PG&E shall indemnify, hold harmless and defend CCSF, its managers, officers, directors, commissioners, agents, and employees, from and against all claims, demands, losses, and liability (legal, contractual, or otherwise), by whomever asserted which arise from or are in any way connected with any acts or omissions of PG&E, its affiliates, subsidiaries, parent company, officers, managers, employees and agents in its obligations under this Contract, except those arising by reason of the sole negligence or willful misconduct of CCSF, its officers, managers, directors, commissioners, agents and employees, or those arising by reason of the sole negligence or willful misconduct of any of CCSF's Subcontractors, their officers, managers, affiliates, subsidiaries, parent company, officers, managers, employees and agents.
- 7.1.3 CCSF shall require its Subcontractors to indemnify, hold harmless and defend both CCSF and PG&E, and their officers, managers, directors, agents and employees, and PG&E's affiliates, subsidiaries, and parent company, from and against all claims, demands, losses, damages, costs, expenses and liability (legal, contractual, or otherwise), by whomever asserted which arise from or are in any way connected with any acts or omissions of said Subcontractors in carrying out the Work under the Contract, except those arising by reason of the sole negligence or willful misconduct of PG&E or CCSF, their affiliates, subsidiaries, parent company, officers, managers, employees and agents.
- 7.1.4 In the event of concurrent negligence of CCSF, its officers, employees and agents, and PG&E and its officers, employees and agents, the liability for any and all claims for injuries or damages to persons and/or property arising from such concurrent negligence shall be apportioned under California law.
- 7.1.5. To the extent necessary, each Party was represented by counsel in the negotiation and execution of this Contract.

## 8.0 INSURANCE

CCSF is self-insured. CCSF shall maintain the self-insured equivalent of following insurance coverage. CCSF shall also require its Subcontractors to maintain sufficient limits of the appropriate insurance coverage.

### 8.1 WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

- 8.1.1 Workers' Compensation insurance or self-insurance indicating compliance with any applicable labor codes, acts, laws or statutes, state or federal, where CCSF performs Work.
- 8.1.2 Employers' Liability insurance shall not be less than \$1,000,000 for injury or death each accident.

### 8.2 COMMERCIAL GENERAL LIABILITY

- 8.2.1 Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage "occurrence" form, with no coverage deletions.
- 8.2.2 The limit shall not be less than \$1,000,000 each occurrence/\$2,000,000 in aggregate for bodily injury, property damage and personal injury.
- 8.2.3 Coverage shall: a) by "Additional Insured" endorsement add as insureds PG&E, its affiliates, subsidiaries, and parent company, and PG&E's directors, officers, managers, agents and employees with respect to liability arising out of or connected with the Work

performed by or for CCSF. (ISO Form CG2010 or equivalent is preferred.) In the event the Commercial General Liability policy includes a "blanket endorsement by contract," the following language added to the certificate of insurance will satisfy PG&E's additional insured requirement: "PG&E, its affiliates, subsidiaries, and parent company, and PG&E's directors, officers, managers, agents and employees with respect to liability arising out of the work performed by or for CCSF are additional insureds under a blanket endorsement.";

b) be endorsed to specify that the CCSF's insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute with it.

### 8.3 BUSINESS AUTO

8.3.1 Coverage shall be at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, code 1 "any auto."

8.3.2 The limit shall not be less than \$1,000,000 each accident for bodily injury and property damage.

### 8.4 ADDITIONAL INSURANCE PROVISIONS

8.4.1 Before commencing performance of the Work, CCSF shall furnish PG&E with its letter of self-insurance signed by a duly authorized representative of CCSF, such letter evidencing that CCSF's self-insurance program is in full force and effect and in compliance with and subject to all the terms, agreements, covenants, conditions and provisions of this Contract. CCSF shall also require its Subcontractors to furnish certificates of insurance and endorsements of all required insurance to PG&E.

8.4.2 The documentation shall state that coverage shall not be canceled except after thirty (30) days prior written notice has been given to PG&E.

The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to:

Pacific Gas and Electric Company:  
Insurance Department  
One Market Street, Spear Tower  
Suite 2400  
San Francisco, CA 94105

8.4.4 A copy of all such insurance documents shall be sent to PG&E's Program Manager and/or its authorized representative.

8.4.4 PG&E may inspect the original policies or require complete certified copies, at any time.

8.5.5 Upon request, CCSF shall furnish PG&E the same evidence of insurance for its Subcontractors as PG&E requires of CCSF.

### 9.0 FORCE MAJEURE.

The performance of the obligations of the Parties hereunder shall be suspended by the occurrence of any unforeseeable event beyond the control of the Parties, such as acts of God, war, mobilization, riot, sabotage, explosion, earthquakes, casualty, power failure, inability to obtain suitable and sufficient labor or material, or law or regulations restricting performance. In the event either Party claims that performance of its obligations was prevented or delayed by any such cause, that Party shall promptly notify the other Party of that fact, and of the circumstances preventing or delaying performance. Such Party so claiming a cause for delayed performance shall endeavor to take reasonable measures to remove the disability or obstacle to performance and resume operations at the earliest possible date.

10.0 PG&E'S REPRESENTATIVE

- 10.1 ADMINISTRATION: PG&E will administer the Contract to ensure satisfactory completion in accordance with its terms. PG&E's Program Manager listed in the Specific Conditions will be the designated representative for the Work under this Contract.
- 10.2 QUESTIONS: Contact between CCSF and PG&E shall be through PG&E's Program Manager, unless otherwise specified. Questions concerning Contract performance, including the sufficiency of CCSF's performance, shall be promptly submitted to PG&E for a decision. PG&E's decision on such questions, in the exercise of PG&E's reasonable judgment, shall be final subject to the Dispute Resolution provisions of Section 43 of these General Conditions and without waiving CCSF's legal rights..

11.0 CONTROL AND PERFORMANCE OF THE WORK BY CCSF

- 11.1 INDEPENDENT CONTRACTOR: In assuming and performing the obligations of this Contract, CCSF is an independent Contractor and shall not be eligible for any benefits which PG&E may provide its employees. All persons, if any, hired by CCSF shall be employees or Subcontractors of CCSF and shall not be construed as employees or agents of PG&E in any respect.
- 11.2 CCSF 'S REPRESENTATIVE: CCSF shall provide one or more qualified representative(s) who shall supervise the Work, including that of Subcontractors, and exercise control as may be required. CCSF shall notify PG&E in writing who is to be CCSF's representative in charge of the Work.
- 11.3 CORRELATION OF WORK: In order that the Work will be economically completed with the least delay and inconvenience to involved parties, CCSF shall correlate its Work with work to be performed by others. As directed by PG&E, CCSF shall make necessary and proper provisions to accommodate the work of others and shall cooperate in the use of equipment and in the exchange of templates and other data to ensure the proper performance of the Work.
- 11.4 PERFORMANCE OF WORK: CCSF shall schedule and perform its Work to ensure completion in accordance with the Specific Conditions. See related provision, "Time is of the Essence", Section 6 of the Specific Conditions.
- 11.5 PG&E CONCERNS ABOUT CCSF AND SUBCONTRACTOR PERSONNEL: If PG&E has concerns about the performance of any CCSF or Subcontractor personnel performing Work under this Contract, PG&E shall promptly communicate these concerns to CCSF and CCSF agrees that its designated representative will meet within seven calendar days with PG&E's Program Manager to discuss these concerns and what steps can be taken to deal with these concerns. Such steps may include one or more of the following: further training of the personnel, additional supervision of the personnel, restriction of the activities engaged in by the personnel, re-assignment of the personnel, or whatever other steps CCSF in its discretion decides are appropriate to take. Notwithstanding the above, PG&E reserves the right to request reassignment of CCSF or Subcontractor personnel if such steps are not satisfactory to PG&E. This provision does not in any way require, endorse or approve (expressed or implied) the termination of employment by CCSF of any employee replaced under the terms of this paragraph.
- 11.6 CONSERVATION: In view of the national need to conserve resources, material and energy, CCSF shall plan and conduct the Work in the most efficient way practical consistent with accepted construction practices.

12.0 FIELD INSPECTION AND TESTS

- 12.1 CCSF understands that, under the Commission Evaluation, Measurement and Verification (EM&V) protocols applicable to the Energy Watch Program, PG&E must cooperate with EM&V consultants hired by Commission staff, must perform certain EM&V activities, and must prepare and submit EM&V reports to the Commission. In addition, PG&E's own quality assurance program requires it to inspect various aspects of the Work. Accordingly, PG&E may make field inspections and tests of the Work at PG&E's customers' worksites. CCSF agrees to cooperate with PG&E to permit such activities by PG&E, by Commission consultants, or by PG&E consultants. When obtaining access

authorization to PG&E's Customer sites, CCSF agrees to also obtain access for PG&E to perform EM&V activities. Neither the making nor the failure to make inspections and tests nor the express or implied approval of the Work shall relieve CCSF of the responsibility to complete and guarantee the Work as specified. Field inspections and tests will normally be made by PG&E. CCSF shall require Subcontractor(s) and supplier(s) performing Work pursuant to this Contract to conform to the requirements of this Section 12.1.

12.2 Rejected Work shall be remedied at CCSF's expense.

13.0 DELAYS AND SUSPENSION OF WORK:

13.1 SUSPENSION OF WORK: PG&E reserves the right to suspend the Work.

13.2 NOTIFICATION: CCSF shall promptly notify PG&E in writing upon knowledge of any impending cause for delay in the Work. If possible, PG&E will assist CCSF in reducing the delay.

13.3 DELAYS WITHIN CCSF 'S CONTROL: No additional compensation or other concessions will be allowed CCSF for expenses incurred as a result of delays arising from causes for which CCSF is responsible.

14.0 MATERIALS AND WORKMANSHIP

14.1 MATERIALS AND WORKMANSHIP: Materials and workmanship shall be new, first class in every respect, plumb and true, and shall comply with the requirements of the Specification(s). Materials and workmanship shall be subject to the inspection of PG&E. If CCSF fails to provide materials and workmanship in compliance with the Specifications, PG&E reserves the right to cancel the Contract under Section 27 of these General Conditions. CCSF shall furnish labor, materials, equipment, and services required for the Work unless otherwise specified.

14.2 [Intentionally left blank.]

14.3 REFERENCES: References within the Specification to standard specifications, codes, and requirements of organizations such as the American Society for Testing Materials (ASTM), Energy Star® and other similar organizations, are referenced to the latest version of such requirements, unless otherwise specified. Requirements of referenced specifications shall be deemed a part of the Specifications except that in the event of a conflict between the requirements of the Specifications and those of the referenced specification, the most stringent shall govern.

14.4 ADVERTISING MATTER: CCSF shall neither advertise nor allow advertising at the worksite(s) without written approval from PG&E. The Parties agree that CCSF may prepare and submit for approval of the Program Manager a standard sign advertising the Energy Watch Program to be displayed at worksites; PG&E's approval of such sign shall not be unreasonably withheld. Once approved in writing by PG&E, such sign may be displayed at all worksites.

14.5 INSTALLATION OF EQUIPMENT: Equipment shall be installed level, properly aligned, and completely assembled in accordance with the manufacturer's standards and left in acceptable operating condition.

14.6 [Intentionally left blank.]

14.7 BRAND NAME: When the Specification(s) designate an item by brand name, CCSF shall use that designated item or an Approved Equivalent. Furnishing or installing or both of an item shall be in accordance with the manufacturer's recommendations or specifications unless otherwise specified herein.

14.8 CHANGES: Requests by CCSF for any changes in the requirements of the Specification shall be clearly and specifically identified in writing and brought to the attention of PG&E for written approval of PG&E. No changes will be authorized without such written approval.

15.0 SAFETY PRECAUTIONS AND PROTECTION TO PROPERTY

- 15.1 REGULATIONS AND CONDUCT OF WORK: CCSF shall plan and conduct the Work to safeguard persons and property from injury. CCSF shall direct the performance of the Work in compliance with reasonable safety and work practices and with applicable federal, state, and local laws, rules, and regulations, including but not limited to "Occupational Safety and Health Standards and Orders" promulgated by the U.S. Secretary of Labor and the California Division of Occupational Safety and Health, including the wearing of "hard hats" at the worksite(s) when required. When and if Work is to be performed in areas adjacent to electrically energized facilities and/or operating natural gas facilities, such Work shall be performed in accordance with said practices, laws, rules, and regulations. PG&E may designate, in writing and with specificity, safety precautions in addition to those in use or proposed by CCSF. PG&E reserves the right to inspect the Work and to halt the Work to ensure compliance with reasonable and safe work practices and with applicable federal, state and local laws, rules, and regulations. Neither the requirement that CCSF follow said practices and applicable laws, rules, and regulations, nor adherence thereto by CCSF, shall relieve CCSF of the sole responsibility to maintain safe and efficient working conditions.
- 15.2 IDENTIFICATION BADGES: A distinctive visible identification badge shall be furnished by CCSF and worn by its employees or by its Subcontractors' employees when on PG&E's customer's property.
- 15.3 ADDITIONAL PRECAUTIONS: If PG&E designates certain safety precautions under Section 15.1 and if CCSF fails to comply with the request within a reasonable time, PG&E may provide the safety precautions at CCSF's expense. Repeated failure to comply with safety precautions required by PG&E may result in cancellation of the Contract in accordance with Section 27.
- 15.4 PROTECTION OF CUSTOMER PREMISES: CCSF shall take reasonable steps to protect the premises of PG&E customers where Work is being done from damage during performance of the Work. Damage to customer premises shall be repaired to PG&E's satisfaction at CCSF's expense.

16.0 GUARANTEES AND EQUIPMENT WARRANTY

- 16.1 GUARANTEES: In addition to the guarantees provided under this Contract, or implied in fact or in law, CCSF shall leave the Customer's worksite in satisfactory working order and repair or replace at its expense any part of the Work that develops defects due to faulty design, engineering, workmanship, materials or any failure to comply with or perform in accordance with the requirements of the Specification(s) within a period of one year after the date that CCSF notifies PG&E that the part of the Work is complete and ready for inspection. CCSF shall promptly repair or replace, at CCSF's expense, other Work, equipment or property damaged as the result of the defects, or as a result of the repairing thereof, and hold PG&E harmless from PG&E's repair expenses. The warranty period for a repair or replacement shall be one year from the date of Acceptance by PG&E of the repair or replacement. CCSF will not be held responsible for any original defects in material furnished by PG&E.
- 16.2 EQUIPMENT WARRANTY: Equipment furnished by CCSF shall be of the kind and quality described in this Contract, free of defects in design, engineering, workmanship and material. The equipment shall comply with the requirement of the Specification and shall perform in the manner set forth in the Specification and shall be fit for its intended purpose. The warranty period shall begin when the equipment is placed in operation and extend for one (1) year. CCSF's obligations shall be the same as those set forth in Section 16.1.
- 16.3 REPAIRS BY PG&E: Intentionally left blank; this subject is covered in the Specific Conditions, Section 10.

17.0 CLEANING UP

- 17.1 CCSF's employees and Subcontractors' employees shall maintain the worksite(s), including customers' premises, and related structures, equipment, and facilities in a clean, orderly condition during progress of the Work. Any unused or leftover materials, garbage and debris shall be promptly removed from worksites and disposed of at CCSF's or its Subcontractors' expense.



Worksites shall be left in the same condition they were found at the end of each day and at the completion of Work.

18.0 EQUAL OPPORTUNITY LAWS

18.1 FEDERAL REGULATIONS: During the performance of this Contract and to the extent they may be applicable to CCSF and to this Contract, CCSF agrees to comply with all laws, orders, and regulations included by summary or reference in the following sections:

18.1.1 EQUAL EMPLOYMENT OPPORTUNITY -- Executive Order No. 11246, 41 CFR Part 60-1: (Contracts of \$10,000 or more): Provides that CCSF will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin and further that CCSF shall take affirmative action to ensure that applicant and employees are treated without regard to their race, color, religion, sex, or national origin.

18.1.2 CERTIFICATION OF NONSEGREGATED FACILITIES -- 41 CFR 60-1.8: (Contracts of \$10,000 or more) CCSF hereby certifies that CCSF will not maintain or provide segregated facilities for its employees and will not permit its employees to perform their services at any location under CCSF's control, where segregated facilities are maintained.

18.1.3 CONSTRUCTION CONTRACTORS - AFFIRMATIVE ACTION REQUIREMENTS -- 41 CFR Part 60-4: (Contracts exceeding \$10,000): Establishes procedures for soliciting and awarding federal or federally assisted construction contracts.

18.1.4 LISTING OF EMPLOYMENT OPENINGS -- Executive Order 11701: (Contracts of \$10,000 or more): CCSF will list employment openings with the Employment Development Department in accordance with the Vietnam Era Veterans Readjustment Assistance Act of 1974 and Executive Order 11701. The affirmative action clause set forth in 41 CFR 60-250.4 is incorporated herein by reference.

18.1.5 EMPLOYMENT OF THE HANDICAPPED -- Rehabilitation Act of 1973, 41 CFR Part 60-741: (Contracts of \$2,500 or more) The affirmative action clause and the regulations contained in 41 CFR 60-741.4, and Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. Section 794), which prohibits discrimination on the basis of handicaps, are incorporated by reference in this Contract.

18.1.6 FILING PROGRAM SUMMARIES AND PREPARING AFFIRMATIVE ACTION PLANS -- Executive Order 11246, 41 CFR Part 60-2: (Contracts of \$50,000 or more) If the value of this Contract is \$50,000 or more and the CCSF has 50 or more employees, CCSF agrees to file appropriate affirmative action program summaries in accordance with existing regulations and develop and maintain a current written affirmative action compliance program at each of its establishments.

18.1.7 VIETNAM ERA VETERANS READJUSTMENT ASSISTANCE -- Act of 1974, Title 41, Chapter 60, Part 250: (Contracts of \$10,000 or more) The affirmative action clause and the regulations pertaining to the employment of disabled veterans and veterans of the Vietnam era are incorporated by reference in this Contract.

18.1.8 AMERICANS WITH DISABILITIES ACT -- 42 U.S.C. Section 12101, et seq.: CCSF agrees that, to the extent it may be applicable to this Contract, CCSF shall comply with the Americans with Disabilities Act.

18.2 SUPPLIER DIVERSITY PROGRAM: It is PG&E's policy that Women, Minority, and Disabled Veteran Business Enterprises (WMDVBEs) shall have the maximum practicable opportunity to participate in providing the products and services it purchases. To the extent consistent with the laws of the City and County of San Francisco, the following provisions apply:

18.2.1 For all Contracts, CCSF agrees to comply, and to require all Subcontractors and sub-subcontractors to comply, with PG&E's Supplier Diversity Program (SD) policy, as set

forth in Exhibit 1 hereto. CCSF shall provide to each prospective Subcontractor a copy of Exhibit 1.

18.2.2 In addition, for Contracts exceeding \$500,000 (or \$1 million for construction contracts), the Contract must comply with the Policy Regarding Utilization of Small Business Concerns and Small Disadvantaged Business concerns, as described in Exhibit 2 hereto. The Subcontracting Plan for these contracts must include provisions for implementing the terms prescribed in Exhibit 2.

18.2.2.1 Small Business and Small Disadvantaged Business Subcontracting Plans are not required for small business contractors, personal service contracts, contracts that will be performed entirely outside of the United States and its territories, or modifications to existing contracts which do not contain subcontracting potential.

18.2.3 For all Contracts, the CCSF shall act in accordance with the Subcontracting Plan in the performance of the Work and in the award of all Subcontracts.

## 19.0 ADDITIONAL WORK OR CHANGES IN WORK

19.1 **PROCEDURE FOR ADDITIONAL WORK: BEFORE PROCEEDING WITH ANY WORK INVOLVING POSSIBLE CLAIMS FOR EXTRA COMPENSATION NOT SPECIFIED IN THE CONTRACT, CCSF SHALL SUBMIT IN WRITING TO PG&E A DETAILED ESTIMATE OF THE COST FOR SUCH WORK. CCSF shall provide PG&E with a detailed breakdown and estimated cost of such anticipated contract work, including extensions and other changes, as follows:**

19.1.1 Description of work to be performed including detailed breakdown by identifiable tasks.

19.1.2 Estimated cost of each task.

19.1.3 Expected date of completion of each task.

19.2 **APPROVAL NEEDED FOR ADDITIONAL WORK: CCSF shall not proceed with any such additional work prior to receiving written authorization by PG&E. CCSF AGREES THAT ALL COSTS FOR ANY SUCH MODIFICATION OR CHANGE THAT IS PERFORMED BY CCSF WITHOUT PG&E'S PRIOR WRITTEN APPROVAL SHALL BE AT CCSF'S SOLE RISK AND EXPENSE.**

19.3 **PG&E CHANGES TO WORK. PG&E reserves the right, after consultation with CCSF, to make such changes in Work, specifications, or level of effort, as may be necessary or desirable, and any difference in Contract price resulting from such changes shall be approved in writing by PG&E and CCSF before the portions of the Work impacted by such changes are begun.**

20.0 [This Space Intentionally Left Blank]

## 21.0 CONTRACTOR'S LABOR RELATIONS.

In the event of a labor dispute or strike by CCSF's or its Subcontractors' employees which (i) threatens the progress or cost of Work or PG&E's labor relations, (ii) disrupts PG&E's operations, or (iii) results in a secondary boycott at PG&E's facilities, PG&E reserves the right to suspend or discontinue that portion of the Work.

## 22.0 HAZARDOUS MATERIALS:

22.1 The California Health and Safety Code requires businesses to provide warnings prior to exposing individuals to materials listed by the Governor as chemicals "known to the State of California to cause cancer, birth defects or reproductive harm." PG&E uses chemicals on the Governor's list at many of its facilities. In addition, many of these chemicals are present at non-PG&E-owned facilities and locations. Accordingly, in performing the Work or services contemplated under this Contract, CCSF, its employees, agents and Subcontractors may be exposed to chemicals on the Governor's list. CCSF is responsible for notifying its employees, agents and Subcontractors that Work performed hereunder may result in exposures to chemicals on the Governor's list.

- 22.2 STORAGE OF HAZARDOUS MATERIALS AND DISPOSAL OF HAZARDOUS WASTES: Surplus Hazardous Materials and Hazardous Wastes are the property and responsibility of CCSF, and may not be stored or disposed of on or at the worksite(s). CCSF and/or its Subcontractors shall be responsible for the disposal of all hazardous materials associated with the Work performed under this Contract in accordance with applicable California and Federal environmental laws and regulations, including but not limited to disposal of fluorescent lamps and PCB ballasts. CCSF represents and warrants that any facility to which Hazardous Wastes may be moved is in compliance with any and all federal, state, and local laws, rules and regulations pertaining thereto and that the facility is suitable to receive and/or dispose of, and may lawfully receive and/or dispose of the Hazardous Wastes.
- 22.3 DISCOVERY OF HAZARDOUS WASTES OR HAZARDOUS MATERIAL AND NOTICE TO PG&E: In the event that CCSF discovers Hazardous Waste or Hazardous Material, other than commonly used consumer products, in or on the property of a PG&E customer during the performance of the Work, CCSF shall immediately notify PG&E of the situation.

### 23.0 INJURY AND ILLNESS PREVENTION PROGRAM

In the performance of the Work under this Contract, CCSF acknowledges that it has an effective Injury and Illness Prevention Program which meets the requirements of all applicable laws and regulations, including but not limited to Section 6401.7 of the California Labor Code. CCSF shall require that any Subcontractor hired by CCSF to perform any portion of the Work under this Contract shall also have an effective Injury and Illness Prevention Program. The attached Compliance Certificate (Exhibit 3) shall be executed by the person at CCSF and at any such Subcontractor with the authority and responsibility for implementing and administering such Injury and Illness and Prevention Program and such signed Compliance Certificates shall be provided to Program Manager.

### 24.0 COMPLIANCE WITH LAWS

CCSF shall comply with all federal, state and local laws and regulations applicable to the Work to be performed under this Contract. Unless prohibited by law, CCSF shall hold PG&E harmless from any liability, fine or penalty incurred as a result of CCSF's failure to comply with applicable legal and regulatory requirements.

### 25.0 PERSONNEL REQUIREMENTS

25.1 EMPLOYEE: CCSF and Subcontractors shall employ only qualified personnel.

#### 25.2 EMPLOYEE REPLACEMENT:

25.2.1.: REPLACEMENT INITIATED BY CCSF: CCSF agrees not to remove or replace any Subcontractors retained by CCSF to perform Work under this Contract without the approval of PG&E. Such approval shall not be unreasonably withheld or delayed. CCSF will make reasonable efforts to maintain continuity in its internal staffing and will provide PG&E with reasonable notification if any changes in such staffing occur or are made. CCSF agrees to avoid excessive charges to PG&E for the time spent in familiarizing replacement personnel with the Work.

25.2.2 PG&E CONCERNS ABOUT CCSF OR SUBCONTRACTOR PERSONNEL: See Section 11.5 above.

25.3 EMPLOYEE DATA: CCSF shall furnish PG&E the following preliminary information on each CCSF employee including temporary replacements after award of Contract and prior to starting Work; CCSF need not furnish such preliminary information on individual employees of Subcontractors. Notwithstanding the foregoing, to the extent that more complete information about employees of CCSF or its subcontractors is required by other provisions of this Contract, including but not limited to hours worked or particular Work done by one or more specific employees, CCSF shall furnish it in accordance with such other provisions.

25.3.1 Full Name.

25.3.2 Title

25.3.3 Work location

## 26.0 BILLING AND PAYMENT

- 26.1 **PAYMENT:** Unless otherwise specified in the Specific Conditions of this Contract, CCSF shall submit monthly invoices to PG&E for compensation earned in the preceding calendar month. PG&E will pay in the amount of 100 percent of the value of the Work satisfactorily completed within 30 days after receipt of a correct invoice by PG&E, subsequent to PG&E's Acceptance of the Work. For Work performed on a time and material basis, each invoice shall show CCSF's labor classifications and corresponding hourly rates during the billing period, the time spent, and the task description. Overtime hours shall be billed at straight time rates unless otherwise agreed and limited to those hours for which the employee is actually compensated. Non-employees, such as Subcontractors and agency temporaries, shall not be billed as CCSF's employees. CCSF - furnished material shall be reimbursed at the CCSF's actual cost including transportation, less trade and cash discounts. Satisfactory evidence shall also be submitted to verify materials drawn from CCSF's stock, rental of CCSF's equipment, or other miscellaneous items of cost not otherwise verified. The unit cost and quantity of each item shall be shown on each invoice.
- 26.2 **Withholding Funds:** PG&E will retain from payments due CCSF sufficient funds for the following reasons:
- 26.2.1 PG&E may withhold funds for Work it finds has not met the requirements of the Contract after written notice to CCSF of the reasons for non-acceptance and the amounts withheld.
- 26.2.2 PG&E may withhold funds to cover the reasonable costs of a written claim by a PG&E customer related to CCSF's or its Subcontractor(s)' Work under this Contract, including without limitation funds to cover the costs of property damage by CCSF to PG&E's customers' dwellings and/or business premises, provided that PG&E has notified CCSF in writing of such claim, the amount of such claim, the reasonable cost of such claim, and the amount withheld. Reasonable expenses to cover damages shall be at CCSF's expense, and repairs shall meet with PG&E approval.
- 26.3 **FINAL INVOICE:** The final invoice shall be marked "FINAL" and must be received by PG&E within ninety (90) calendar days after completion of the Work. PG&E will not be liable for payment of any invoices that are received by PG&E beyond the 90 days.
- 26.4 **CLAIMS AGAINST CCSF:** Before CCSF is entitled to the final payment, CCSF shall, if requested by PG&E, furnish satisfactory evidence to PG&E that valid claims against CCSF or a Subcontractor have been paid.
- 26.5 **LIABILITY:** Neither Acceptance of the Work by PG&E nor payment for the Work shall relieve CCSF from liability under the indemnity nor the guarantees contained in or implied by the Contract.

## 27.0 CANCELLATION OF CONTRACT

### 27.1 CANCELLATION FOR CAUSE:

27.1.1 Either PG&E or CCSF may, at either Party's option, cancel or suspend this Contract for cause including, but not limited to, the following situations:

- (1) the failure, refusal or inability of CCSF to perform the Work in accordance with this Contract for any reason, or the failure, refusal or inability of PG&E to meet its obligations under this Contract for any reason, (except as specified in Section 9, "Force Majeure"); or

- (2) CCSF or PG&E has become insolvent, has failed to pay its bills, or has had checks for payment of its bills returned from suppliers and Subcontractors due to insufficient funds; or
- (3) a legal action is filed against CCSF which, in PG&E's opinion, may interfere with the performance of the Work, or a legal action is filed against PG&E which, in CCSF's opinion, may interfere with PG&E's ability to pay CCSF; or
- (4) in PG&E's opinion, the Work will not be completed in the specified time and PG&E has requested CCSF to take steps necessary to accomplish the required progress and completion, and CCSF has failed to do so; or
- (5) in CCSF's opinion, considerations related to Community Choice Aggregation will interfere with the performance of the Work.

27.1.2 In addition to other remedies, if PG&E or CCSF cancels or suspends this Contract, PG&E may at its option and without prejudice to its other rights, take over and complete all or part of the Work ; in that event, CCSF shall be entitled to appropriate compensation under this Contract for the use of such equipment and facilities. .

27.1.3 [Intentionally left blank.]

27.1.4 If the Contract is canceled under this Section, CCSF shall vacate the worksite(s). In the event of such cancellation, PG&E shall pay CCSF for services satisfactorily performed prior to the date of cancellation. In no event shall PG&E be liable for lost or anticipated profits or overhead on uncompleted portions of the Work. Any reports, drawings or other documents prepared for PG&E prior to the effective date of such cancellation shall be delivered to PG&E by CCSF prior to PG&E's release of its final payment to CCSF. CCSF shall not enter into any contracts, commitments or Subcontracts which would incur significant cancellation costs and/or liquidated damages without prior written approval of PG&E. Such written approval is a condition precedent to the payment of any cancellation charges by PG&E.

## 27.2 CANCELLATION WITHOUT CAUSE BY PG&E OR BY CCSF:

27.2.1 PG&E or CCSF may suspend or terminate the Contract, without cause and upon sixty (60) days' written notice to the other Party. Upon receiving said notification, CCSF thereupon shall take whatever action with respect to performance of the Work as will tend to minimize its claim against PG&E, and PG&E shall take whatever action is necessary and consistent with the payment schedule, Specific Conditions, and other provisions of this Contract to compensate CCSF in accordance with the terms of the Contract for Work completed as of the date of termination. In the event of termination, PG&E shall be liable to CCSF only for the compensation earned on the Work performed to the date of termination, plus costs reasonably incurred by CCSF in terminating its operation. CCSF shall not be entitled to any payment for lost or anticipated profits or overhead on uncompleted portions of the Work. Any reports, drawings or other documents prepared for PG&E prior to the effective date of such termination shall be delivered to PG&E by CCSF prior to PG&E's release of its final payment to CCSF.

## 28.0 CONTRACT PRICING

28.1 Contract prices shall be firm and fixed for the term of this Contract.

28.2 Intentionally left blank.

28.3 ADJUSTMENTS: CCSF shall promptly adjust any inaccuracy in the billings.

## 29.0 AVAILABILITY OF INFORMATION

29.1 ACCESS: Except for documents privileged under California law (including but not limited to the attorney/client privilege and the attorney work product privilege), PG&E's duly authorized

representatives and auditors authorized by the California Public Utilities Commission shall have, during the term of the Contract and for four (4) years thereafter, access at reasonable times and upon reasonable notice to all of the CCSF 's and its Subcontractors' records of all description, including but not limited to, computer files and signed Customer Access Agreements (Exhibit A to Exhibit A of this Contract), pertaining to the Contract to verify or review the quantity, quality, work program, and progress of the Work, reimbursable costs, amounts claimed by CCSF , estimates of cost for fixed rates including those applicable to proposed changes, and for any other reasonable purposes. PG&E's access shall include access to any and all records of CCSF for the purpose of verifying compliance with the "Conflict of Interest/Business Ethics" provision (Section 30.3) included in this Contract. In addition, PG&E's duly authorized representatives shall have, during the term of the Contract and for four years thereafter, access at all reasonable times and upon reasonable notice to employees of CCSF or its Subcontractors with knowledge of the Work for purposes of reviewing or verifying the Work and for other reasonable purposes. In the event that PG&E asks for access to the records or employees of CCSF's Subcontractor(s), PG&E shall provide reasonable notice to CCSF as well as to the Subcontractor(s).

- 29.2 **APPLICABILITY:** This Section 29 shall apply to all PG&E contracts but shall not apply to pricing for contracts performed solely on a lump-sum basis. However, where lump-sum and time and materials work (unit price, reimbursable cost, fixed rates, etc.) are performed together, either as a part of this Contract or as separate contracts, then the above audit right shall also extend to PG&E access to all CCSF 's records pertaining to all PG&E contracts including the lump-sum contracts for assurance that the portions of the Work performed on a time and materials basis are not being charged with time, material, or other units of cost which are intended to be covered by lump-sum or fixed rates, etc., provided herein, supplement hereto, or in such other agreements.
- 29.3 **ACCOUNTING:** CCSF's and its Subcontractors' accounts shall be kept in accordance with generally accepted accounting principles in the particular industry and shall be kept in such a manner and in sufficient detail to clearly disclose the nature and amounts of the different items of service and cost pertaining to the Contract and the basis for charges or allocations to the Contract.
- 29.4 **TIME PERIOD:** CCSF shall preserve all such accounts and records for a period of four (4) years after the term of the Contract. CCSF's Subcontractor(s) shall preserve all such accounts and records for a period of four (4) years after the term of the contract between CCSF and the Subcontractor(s). PG&E's duly authorized representatives shall have the right to reproduce any such accounts and records.
- 29.5 **SUBCONTRACTORS:** CCSF shall include the necessary provisions in its Subcontracts to ensure that its Subcontractors comply with this provision including those records that document the basis for determining customer eligibility along with documentation that evidences performance of the Work."

### 30.0 CONFLICT OF INTEREST/BUSINESS ETHICS

- 30.1 **REASONABLE CARE:** In the performance of the Work, CCSF shall exercise reasonable care and diligence to prevent any actions or conditions which could result in a conflict with PG&E's interest.
- 30.2 [Intentionally left blank.]
- 30.3 **GIFTS:** CCSF or its employees shall not offer substantial gifts, entertainment, payments, loans, or other consideration to PG&E's employees, their families, vendors, subcontractors and other third parties.
- 30.4 **ACCURATE DOCUMENTATION:** All financial statements, reports, billing, and other documents rendered shall properly reflect the facts about all activities and transactions handled under this Contract.
- 30.5 **NOTIFICATION:** CCSF shall immediately notify PG&E of any and all violations of this Section 30.0 upon becoming aware of such violation.

### 31.0 SPECIFICATIONS

- 31.1 Discrepancies: Specification(s) are complementary and are intended to be consistent with each other. CCSF shall promptly report in writing to PG&E any discrepancies or errors.
- 31.2 Data made available to CCSF by PG&E for preparation for performance of the Work shall not relieve CCSF of the responsibility to satisfy itself through investigations as to conditions affecting the cost and performance of the Work. Estimated quantities and information submitted are the best available at the time; however, PG&E assumes no responsibility for the correctness of such information or for CCSF's conclusions drawn therefrom.

### 32.0 CONFIDENTIALITY

- 32.1 In the course of performing the Work under this Contract, CCSF may have access to items PG&E considers to be trade secrets, such as confidential commercial or personal information concerning, but not limited to, technological, ratemaking, legislative, and personnel matters and practices of PG&E, its parent company, subsidiaries, and affiliates, and of PG&E's customers or other members of the public ("PG&E Trade Secrets"). CCSF agrees to protect PG&E Trade Secrets to the extent permitted by law, and if a request is made to CCSF to produce PG&E Trade Secrets to a third party, and CCSF concludes it is not authorized to withhold such PG&E Trade Secrets from disclosure, CCSF agrees to notify PG&E of the request and to give PG&E time to pursue its legal remedies to prevent such disclosure.
- 32.2 The Parties agree that confidential information about specific PG&E customers, such as account numbers and information about a particular customer's monthly or annual energy usage, the disclosure of which could constitute a violation of applicable CPUC rules, PG&E's tariffs, and/or the customer's right of privacy under California law, is treated as confidential by PG&E and will not be released to CCSF or its subcontractors except with the specific written permission of the customer. In the event CCSF has received such customer-specific information without a customer's written permission, and later receives a request to produce it, and CCSF concludes it is not authorized to withhold such customer-specific information from disclosure, CCSF agrees to notify PG&E of the request and to give PG&E time to pursue its legal remedies to prevent such disclosure. The Parties further agree that in some cases such confidential customer information may be provided to CCSF in a format that conceals the identity of the customer and if such information is provided in this format, CCSF agrees it will not, by means of other information available to it, speculate about the identity of the customer or produce any written work identifying the customer or from which it would be possible for others to identify the customer.

Similarly, the Parties agree that confidential information about customers or specific users of City and County of San Francisco services, the disclosure of which could constitute a violation of state or municipal law or the customers' or specific users' rights of privacy under California law, will not be released to PG&E by CCSF, except with the express prior permission of the customer or specific user. The Parties further agree that in some cases such confidential customer information may be provided to PG&E in a format that conceals the identity of the customer or specific user and if such information is provided in this format, PG&E will not, by means of other information available to it, speculate about the identity of the customer or specific user or produce any written work identifying the customer or specific user or from which it would be possible for others to identify the customer or specific user. Furthermore, in the event CCSF withholds such confidential information from PG&E and later receives a request to produce it from a member of the public, CCSF shall pursue the appropriate legal remedy to prevent disclosure; if, however, a court of law orders such confidential information to be disclosed, CCSF shall disclose such information as is required by the court order, shall notify PG&E of the court order, and shall release such information to PG&E upon PG&E's request.

### 33.0 WARRANTY

CCSF warrants to PG&E that the Work under this Contract shall be performed with the degree of skill and care that is required by current, good and sound professional procedures and practices, and in conformance with generally accepted professional standards prevailing at the time the Work is performed so as to ensure

that the services performed are correct and appropriate for the purposes contemplated in this Contract and related specifications.

#### 34.0 NONWAIVER

The waiver by either Party of any breach of any term, covenant or condition contained in this Contract, or any default in the performance of any obligations under this Contract, shall not be deemed to be a waiver of any other breach or default of the same or any other term, covenant, condition or obligation. Nor shall any waiver of any incident of breach or default constitute a continuing waiver of the same.

#### 35.0 OWNERSHIP RIGHTS AND COPYRIGHT REGISTRATION

35.1 **OWNERSHIP RIGHTS:** To the extent permitted by law and subject to any superior ownership rights imposed or asserted by the California Public Utilities Commission (CPUC), including the CPUC's Affiliate Transaction Rules, as they may be amended from time to time, PG&E shall own all data, reports, information, manuals, computer programs or other written, recorded, photographic or visual materials or other deliverables produced in the performance of Work under this Contract, collectively referred to as "Contract materials". CCSF and its Subcontractors shall retain no ownership, interest, or title in the Contract materials except as may otherwise be provided in this Contract and except as such deliverables may already exist in the public domain. If ownership of said Contract materials is not permitted by law because they are already in the public domain, CCSF agrees that PG&E has the right to make, use, execute, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such Contract materials and other deliverables.

35.2 **COPYRIGHT REGISTRATION:** Notice of PG&E copyright ownership shall be placed by Contractor on all marketing and promotional materials, all other materials for distribution to the general public and any other materials designated by the PG&E Program Manager. Such notice shall be placed on the materials in the locations specified by PG&E and shall consist of the copyright symbol or the word "Copyright" followed by the year in which the material is produced and the words "Pacific Gas and Electric Company". Application for copyright registration shall be the responsibility of PG&E. The following notice shall also be placed by Contractor on all said documents. "Funding for these materials is provided by California utility customers and administered by Pacific Gas and Electric Company, under the auspices of the California Public Utility Commission."

#### 36.0 PROPRIETARY RIGHTS

36.1 To the extent permitted by law, PG&E shall own all proprietary rights including, but not limited to, exclusive patent and copyright rights, in and to any and all inventions, software, works of authorship, designs or improvements of equipment, tools or processes, including the items referenced in Section 35.1, "Ownership Rights" (collectively, the "Developments"), conceived, developed, implemented, or produced by CCSF in the performance of Work under this Contract, and CCSF shall retain no ownership, interest, or title in or to them except as otherwise provided in this Contract. To the extent permitted by law, CCSF agrees to assign and hereby assigns all its right, title, and interest in and to the patents, copyrights and other intellectual property rights in the Developments and hereby agrees to fully cooperate and to do all things reasonably necessary to allow PG&E to claim sole copyright ownership, including the execution of documents deemed necessary by PG&E. PG&E shall be solely responsible for its own costs associated with the establishment and protection of such property rights in the Developments, and also for any outside costs reasonably incurred by CCSF associated with the establishment and protection of such property rights.

36.2 Notwithstanding sections 36.1 and sections 35 and 37, modifications, enhancements, upgrades and any other changes made to existing software or hardware shall be excluded from section 36.1 and sections 35 and 37. In the event that any existing software or hardware owned by or licensed to CCSF is modified, enhanced, upgraded or changed in the performance of this contract, CCSF will obtain for itself the right and license to use said modification, enhancement, upgrade or other computer product or function, and the costs of obtaining such right and license shall be included in the Contract price. Upon PG&E's request, CCSF will make reasonable efforts to obtain for PG&E the same right and license that CCSF obtains for itself, under the same terms and conditions.



37.0 USE AND REPRODUCTION RIGHTS

37.1 PG&E shall have the unrestricted right of use and reproduction of all documentation, including but not limited to, instructional manuals, and other materials related to the Work furnished hereunder. Such use and reproduction by PG&E or by CCSF doing work for PG&E shall not require further permission of CCSF nor shall it constitute infringement of CCSF's ownership rights, including copyright, to such materials. Any claims of CCSF to ownership in materials furnished hereunder must be expressly set forth in the Contract or shall be disclosed to PG&E in writing.

37.2 LICENSE: PG&E does hereby grant to CCSF a royalty-free, nonexclusive, irrevocable, perpetual, worldwide, right and license to make, sublicense, reproduce, translate, publish, use, display, distribute, or disclose, for noncommercial purposes, all data independently collected by CCSF or its Subcontractors and all reports, records, works of authorship, inventions, equipment, tells or designs or improvements in equipment, advertising, educational, or promotional materials, brochures, print, broadcast, film, electronics and multimedia materials, tools or processes conceived, developed, implemented, produced or created by CCSF or its Subcontractors pursuant to this Contract. PG&E also hereby grants to CCSF a royalty-free, nonexclusive, irrevocable, perpetual, worldwide right and license to use for noncommercial purposes any patentable inventions or discoveries conceived and first actually reduced to practice during the course of research activities conducted pursuant to this Contract.

38.0 DRUG AND ALCOHOL ABUSE AND TESTING POLICIES

38.1 [Intentionally left blank.]

38.2 PG&E DRUG AND ALCOHOL ABUSE POLICY

38.2.1 PREFACE: Pacific Gas and Electric Company is committed to maintain and promote job safety and health for all workers at its facilities. In addition, PG&E is determined to protect its employees, customers, and the general public while they are on PG&E property from any harm caused by illegal drug and alcohol use by non-PG&E personnel. To accomplish these objectives, PG&E has established the following drug and alcohol abuse policy for access to PG&E facilities by its contractor and subcontractor personnel.

38.2.2 COVERAGE: This policy applies to the personnel of all PG&E Consultants (including CCSF), Contractors and Subcontractors performing any Work or services at PG&E's offices and/or any other PG&E facilities.

38.2.3 POLICY:

38.2.3.1 PG&E may deny access to, or remove from, its facilities the personnel of any contractor or Subcontractor, who PG&E has reasonable grounds to believe has:

38.2.3.1.1 Engaged in alcohol abuse or illegal drug activity which in any way impairs PG&E's ability to maintain safe work facilities, to protect the health and well-being of PG&E employees, customers, and the general public, and to promote the public's confidence in PG&E's service and operations; or

38.2.3.1.2 Been found guilty, pled guilty, or pled nolo contendere to a charge of sale or distribution of any illegal drug or controlled substance as defined under Federal or California law within the past five years, whether or not the criminal record was later expunged or sealed by a court order.

- 38.2.3.2 The following activities are prohibited at all facilities owned or leased by PG&E:
  - 38.2.3.2.1 Possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances as defined under Federal or California law;
  - 38.2.3.2.2 Possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.
- 38.2.3.3 Where reasonable cause exists that Section 38.2.3 of this policy has been violated, the contractor or subcontractor must inform PG&E. In that event, the contractor or subcontractor agrees, in its discretion, to take any or all of the following actions to the fullest extent they are permitted under applicable federal, state and local law, including but not limited to San Francisco Police Code Article 33A, and under applicable collective bargaining agreements and/or its applicable security and human resources policies.
  - 38.2.3.3.1 Conduct a timely and thorough investigation into the matter and take appropriate action if it determines that there has been a violation of paragraph 38.2.3.2., including without limitation disciplinary action, such as re-assignment or termination.
  - 38.2.3.3.2 Refusal to comply with a request made under paragraph 38.2.3. shall be grounds for denying access to, or immediate removal from, any PG&E facility. In addition, in the event that P&GE believes that the contractor or subcontractor has not taken appropriate action under this paragraph 38.2.3, PG&E may deny access to its facilities to the person whom it reasonably believes has violated paragraph 38.2.3.2, or may take appropriate lawful steps to remove such person from its facilities.
- 38.2.3.4 Any individual who has been denied access to, or removed from, PG&E facilities for violating this policy may obtain permission to enter or reenter provided the individual establishes, to the satisfaction of their employer and PG&E, that the previous activity which formed the basis for denying access or removal has been corrected and his or her future conduct will conform with this policy. PG&E retains the right of final approval for the entry or reentry of any individual previously denied access to or removed from PG&E facilities.

## 39.0 INTEGRATION AND SURVIVAL

- 39.1 This Contract constitutes the entire agreement between the Parties and supersedes all prior or contemporaneous communications, representations, or agreements, whether oral or written, with respect to the subject matter hereof and has been induced by no representations, statements or agreements other than those herein expressed. No provision of this Contract may be modified or waived unless in writing and executed by both Parties.
  - 39.2 The provisions related to "Assignment" in Section 5, and the following sections (Section 7 "Indemnification" Section 16 "Guarantees and Equipment Warranty," Section 32 "Confidentiality," Section 29 "Availability of Information", and Section 3.2 "Infringement Protection") shall survive termination, cancellation, or expiration of this Contract.
- 40.0 [Intentionally left blank.]
- 41.0 TAX WITHHOLDING: CCSF represents and warrants that it will withhold all taxes, if any, which are required to be withheld under applicable law with respect to payments to persons hired by CCSF who perform services for PG&E. CCSF shall indemnify and hold PG&E harmless, on an after-tax basis, for any liability incurred by PG&E as a result of CCSF's failure to institute any such required withholding.
  - 42.0 CHOICE OF LAWS: This Contract shall be construed and interpreted in accordance with the laws of the State of California, excluding any choice of law rules which may direct the application of the laws of another

jurisdiction. Any controversy or claim arising out of or in any way relating to this Contract which cannot be amicably settled without court action under Section 43 of this Contract, "DISPUTE RESOLUTION", shall be litigated in a California State Court of competent jurisdiction; or if jurisdiction over the action cannot be obtained in a California State Court, in a Federal Court of competent jurisdiction situated in the State of California.

#### 43.0 DISPUTE RESOLUTION

43.1 **PROCEDURE:** The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Contract promptly by negotiations between a vice president of PG&E or his or her designated representative and an executive of similar authority of CCSF. Either Party may give the other Party written notice of any dispute. Within twenty (20) days after delivery of said notice, the executives shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute. If the matter has not been resolved within thirty (30) days of the first meeting, either Party may initiate a mediation of the controversy.

43.2 **CONFIDENTIALITY OF DISCUSSIONS:** All negotiations and any mediation conducted pursuant to this Section are confidential and shall be treated as compromise and settlement negotiations, to which Section 1119 of the California Evidence Code shall apply, and Section 1119 is incorporated herein by reference.

43.3 **PRELIMINARY INJUNCTION:** Notwithstanding the foregoing provisions, a Party may seek a preliminary injunction or other provisional judicial remedy if in its judgment such action is necessary to avoid irreparable damage or to preserve the status quo.

43.4 **CONTINUANCE OF WORK:** Each Party is required to continue to perform its obligations under this Contract pending final resolution of any dispute arising out of or relating to this Contract.

44.0 **ENFORCEABILITY:** In the event that any of the provisions or application of any of the provisions, of this Contract are held to be illegal or invalid by a court of competent jurisdiction, PG&E and CCSF shall negotiate an equitable adjustment in the provisions of this Contract with a view toward effectuating the purpose of this Contract. The illegality or invalidity of any of the provisions, or application of any of the provisions, of this Contract will not affect the legality or enforceability of the remaining provisions or application of any of the provisions of the Contract.

45.0 **REPORTING:** In accordance with Section 7912 of the California Public Utilities Code, CCSF agrees to report annually to PG&E the number of California residents employed by CCSF, calculated on a full-time or full-time equivalent basis, who are personally providing services to PG&E under this Contract.

## PG&E SUPPLIER DIVERSITY PURCHASING POLICY

CONTRACTORS AND SUBCONTRACTORS OF ALL TIERS MUST COMPLY WITH PG&E'S SUPPLIER DIVERSITY PURCHASING POLICY IN THE AWARD OF ALL SUBCONTRACTS AND SUB-SUBCONTRACTS. This policy requires that Women, Minority and Disabled Veteran Business Enterprises (WMDVBEs) shall have the maximum practicable opportunity to participate in the performance of the Work.<sup>1</sup>

Contractor shall provide, along with its proposal, a separate, signed Subcontracting Plan consisting of either: (i) a specific list of Subcontractors (including sub-subcontractors ) that will participate in the performance of the Work, on the form attached as Exhibit 1-A; or (ii) a statement setting forth the Contractor's goals for WMDVBE subcontracting of all tiers and setting forth such additional good faith efforts Contractor and Subcontractors will employ to increase the participation of WMDVBE in the performance of the Work.

In the event Contractor has not submitted a list of Subcontractors with its proposal, prior to requesting bids for any Subcontract, Contractor and Subcontractor shall submit to PG&E's Procurement Specialist or Contract Administrator, on the form attached as Exhibit 1-A, a list of prospective WMDVBEs that will be invited to compete for such Subcontracts.

Contractor shall submit its subcontracting spend with women, minority and service disabled veteran owned suppliers on a quarterly basis using PG&E's electronic reporting system located at <https://www.pgesupplierdiversity.com/pge/login.asp>.

To establish a user ID, Contractor shall request via email to: [diversity@pge.com](mailto:diversity@pge.com).

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<sup>1</sup> WMDVBEs must be verified pursuant to the procedures prescribed in Section 2 of CPUC General Order 156.



- \* Refer to instructions/Codes/Definitions.
- \*\* V = Subcontractor is a **verified** WBE, MBE certified by the CPUC Clearinghouse, or a **verified** DVBE certified by the Office of Small Business Certification and Resource.
- \*\*\* NV = Subcontractor is **not verified**.

**STEP-BY-STEP INSTRUCTIONS**

1. Complete column numbers 1-7 and return this form with your bid proposal.
2. Please attach copies of WMDVBE Subcontractor s/subsuppliers certifications with your bid proposal.
3. Complete column number 8 with the actual payments to WMDVBE subcontractor s/subsuppliers for the PG&E work that was performed.
4. Send a copy of this form no later than the 15<sup>th</sup> day of each month for the previous month to: Supplier Diversity Office, Purchasing Department, Pacific Gas & Electric Company, 245 Market Street, Mail Code NSD, P.O. Box 770000, San Francisco, California, 94177, or (415) 973-2553 (fax).

**DEFINITIONS AND CODES**

**WBE** Women Business Enterprise: A business enterprise that is at least 51 percent owned by a woman or women, or, in the case of any publicly-owned business, at least 51 percent of the stock of which is owned by one or more women, and whose management and daily business operations are controlled by one or more of those individuals. Must be certified by the California Public Utilities Commission (CPUC) Clearinghouse. For more information call the WMBE Clearinghouse, (800) 359-7998.

**MBE** Minority Business Enterprise: A business enterprise that is at least 51 percent owned by a minority group or groups, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more minority-group individuals, and whose management and daily business operations are controlled by one or more of those individuals. Must be certified by the California Public Utilities Commission (CPUC) Clearinghouse. For more information call the WMBE Clearinghouse, (800) 359-7998.

<b>Minority Status:</b>	<b>001</b>	African American Male	<b>008</b>	Hispanic American Female
	<b>002</b>	African American Female	<b>009</b>	Caucasian Male
	<b>003</b>	Asian Pacific American Male	<b>010</b>	Caucasian Female
	<b>004</b>	Asian Pacific American Female	<b>011</b>	Multi-Status
	<b>005</b>	Native American Male	<b>012</b>	Other Groups
	<b>006</b>	Native American Female	<b>013</b>	Small Business Enterprise
	<b>007</b>	Hispanic American Male	<b>014</b>	Service Disabled Veteran Business Enterprise

**African Americans** Persons having origins in any black racial groups of Africa.

**Asian Pacific Americans** Persons having origins in Asia or the Indian Subcontinent, including, but not limited to, persons from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, Taiwan, India, Pakistan, and Bangladesh.

**Native Americans** Persons having origin in any of the original peoples of North America or the Hawaiian Islands, in particular, American Indians, Eskimos, Aleuts, and Native Hawaiians.

**Hispanic Americans** All persons of Mexican, Puerto Rican, Cuban, South or Central American, Caribbean, or other Spanish culture or origin.

**Caucasian** Includes all people of European and North African descent.

**Multi-Status** An enterprise that is wholly owned and controlled by a combination of minorities or women but whose majority ownership (at least 51%) is not vested with any one of these individuals.

**Other Groups** Groups whose members are found to be socially and economically disadvantaged by the Small Business Administration pursuant to Section 8 (d) of the Small Business Act as amended (15 U.S.C. 637 (d)), or by the Secretary of Commerce pursuant to Section 5 of Executive Order 11625.

**Small Business Enterprise (SBE)** A business defined pursuant to Section 3 of the Small Business Act (SBA) and relevant regulations pursuant thereto. If unsure, please contact your local Small Business Administration office for clarification.

**Service Disabled Veterans Business Enterprise (DVBE)** Has the same meaning as defined in subdivision (g) of the Military and Veterans Code and must meet the "Control" and "Operate" criteria. An enterprise which is 51 percent owned, or the stock is 51 percent owned, by one or more disabled veterans.

EXHIBIT 2

**POLICY REGARDING UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS**

The following policy of the United States shall be adhered to in the performance of this Contract :

- a) It is the policy of the United States that small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals shall have the maximum practicable opportunity to participate in performing contracts let by any Federal Agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems. It is further the policy of the United States that prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals.
- b) Consultant hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient contract performance. Consultant further agrees to cooperate in any studies or surveys as may be conducted by the United States Small Business Administration or the awarding agency of the United States as may be necessary to determine the extent of Consultant's compliance with this clause.
- c) As used in this Contract, the term "small business concern" shall mean a small business as defined in Section 3 of the Small Business Act and relevant regulations promulgated pursuant thereto. The term "small business concern owned and controlled by socially and economically disadvantaged individuals" shall mean a small business concern (1) which is at least 51 percent unconditionally owned by one or more socially and economically disadvantaged individuals; or, in the case of any publicly owned business, at least 51 percent of the stock of which is unconditionally owned by one or more socially and economically disadvantaged individuals; and (2) whose management and daily business operations are controlled by one or more of such individuals. This term also means a small business concern that is at least 51 percent unconditionally owned by an economically disadvantaged Indian tribe or Native Hawaiian Organization, or a publicly owned business having at least 51 percent of its stock unconditionally owned by one of these entities which has its management and daily business controlled by members of an economically disadvantaged Indian tribe or Native Hawaiian Organization, and which meets the requirement of 13 CFR Part 124. Consultant shall presume that socially and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and other minorities, or any other individual found to be disadvantaged by the Administration pursuant to Section 8(a) of the Small Business Act. Consultant shall presume that socially and economically disadvantaged entities also include Indian Tribes and Native Hawaiian Organizations.
- d) Consultant acting in good faith may rely on written representations by its subcontractors regarding their status as either a small business concern or a small business concern owned and controlled by socially and economically disadvantaged individuals.<sup>2</sup>

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<sup>2</sup> Notwithstanding this provision of the federal statute, all WMDVBE subcontractors must be verified pursuant to the procedures prescribed in Section 2 of CPUC General Order 156, as such procedures may be amended periodically.

EXHIBIT 3

**INJURY AND ILLNESS PREVENTION PROGRAM  
Compliance Certificate**

The undersigned, the \_\_\_\_\_ of  
(Title/position)

\_\_\_\_\_  
(Name of Consultant) (Consultant), hereby certifies to PG&E as follows:

1. That Consultant has an effective Injury and Illness Prevention Program which meets the requirements of all applicable laws and regulations, including but not limited to Section 6401.7 of the California Labor Code and that any Subcontractor hired by Consultant to perform any portion of the Work under this Contract has an effective Injury and Illness Prevention Program; and
2. That he or she is the person with the authority and responsibility for implementing and administering Consultant's Injury and Illness Prevention Program.

IN WITNESS WHEREOF, the undersigned has executed this Compliance Certificate on \_\_\_\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name



## 2010-2012 Non-Utility Energy Efficiency Program

### San Francisco Energy Watch

#### SPECIFIC CONDITIONS

#### 1. INTRODUCTION

- 1.1. This contract is between Pacific Gas and Electric Company ("PG&E") and City and County of San Francisco ("CCSF"). For the purposes of this contract, CCSF may be referred to herein as "LGP." PG&E's Energy Watch partnership program was approved by the California Public Utilities Commission ("CPUC") by Decision 05-09-043 and subsequent decisions, under which PG&E is mandated to work with local government entities to achieve energy savings in their service territories through the creation, selection and implementation of Energy Efficiency programs that will result in increased Customer participation and achieve high Customer satisfaction. Furthermore, on September 24, 2009, the CPUC issued D.09-09-047 approving the IOU's energy efficiency portfolio applications for the 2010-2012 program cycle contingent upon approval of PG&E's Advice Letter.
- 1.2. PG&E may, in its sole and absolute discretion, reduce or terminate funding of any program that fails to meet the objectives set out for resource procurement or for Customer satisfaction as determined by PG&E. PG&E may also, in its sole and absolute discretion, shift funds from one program or market segment area to another during the 2010 – 2012 portfolio implementation period to better achieve its resource procurement and Customer satisfaction objectives, in accordance with PG&E's Change Order procedures. Provided, however, that prior to taking any action under this Section 1.2, PG&E will give LGP sufficient and reasonable (in the sole judgment of the PG&E Program Manager) advance notice to cure the failure noted above. Should LGP fail to cure the failure within the time specified by the PG&E Program Manager, PG&E may enforce the terms of this Section 1.2.
- 1.3. The Gross kW Savings 5,580, Gross kWh Savings 37,500,000, and Gross Therm Savings -120,000 (all such energy savings are hereinafter collectively referred to as "Program Energy Savings") shall be provided for a Contract budget of \$11,540,000. The allowable geographic area(s), Customer market segment(s), and any other restrictions of this Program are set forth in Exhibit D (Allowable Geographic Areas, and Customers to be served by this Program). LGP shall not be eligible to receive funds for any energy efficiency Projects specifically related to this contract that are not within the defined geographic area(s) or Customer market segment(s) without prior written approval of the PG&E Program Manager.
- 1.4. The San Francisco Energy Watch (SFEW) offers a broad spectrum of energy-efficiency programs and services targeting mainly small business and multifamily PG&E customers in San Francisco. There are two major program components: Small Business Direct Install (SBDI), a turnkey program directed at hard-to-reach businesses; and Multifamily and Commercial PLUS, a vendor-driven program that offers a wide range of measures and technical services to property owners and businesses. SFEW is implemented by staff from San Francisco's Department of the Environment with support by a City sub-contractor.

The SFEW includes free energy assessments and discounted installations of energy efficient lighting, refrigeration and HVAC measures, and on a case-by-case basis incentives for calculated nonresidential retrofit-demand response (NRR-DR) projects. Home performance testing and retrofits will be integrated into the program as funding allows. SFEW's non-incentive activities include developing local codes and standards, investigating new energy-efficient products, and finding facilities in San Francisco to serve as pilot projects for new technologies

#### 2. PROGRAM REQUIREMENTS

## 2.1. Program Management Plan

2.1.1. LGP shall submit for PG&E PM review and approval, a Program Management Plan ("PMP") as outlined in Exhibit C (Program Management Plan) which includes information such as: (a) implementation process; (b) Incentive structure; (c) program dates; (d) eligibility requirements; (e) process for providing Incentives; (f) IRS 1099 reporting procedures; (g) dispute tracking and resolution procedures; (h) Strategic Plan reporting; and (i) eligible product specification or standards.

2.2. This section intentionally left blank

2.3. LGPs with In-House Direct Install or Direct Install-Hybrid Programs. This Section 2.3 shall apply when LGP is implementing its in-house direct Install programs

### 2.3.1. Inspections

2.3.1.1. PG&E reserves the right to conduct inspections at any time and in its sole discretion to ensure completion of EEM installations by LGP in accordance with the Quality Assurance and Quality Control Plan. PG&E shall utilize the following methods to verify that EEMs are installed and operating properly: (a) work-in-progress on-site verification; (b) post installation on-site verification; (c) product invoices; (d) site inspection reports; (f) engineering reports; (g) or other verification procedures as PG&E may deem appropriate in its sole discretion.

2.3.2. Upon PG&E Program Manager's request, LGP shall provide a schedule list of EEM installations reflecting dates and locations.

2.3.3. PG&E's verification, inspection, and/or review of the design, construction, operation, or maintenance of the LGP's installation of EEMs shall not constitute a representation or a confirmation of the economic or technical feasibility, operational capability, or reliability of the EEMs. LGP shall in no way represent to any Customer or third party that PG&E's verification, inspection, or review of the EEMs is a representation by PG&E as to the economic or technical feasibility, operational capability, or reliability of such EEMs. LGP is solely responsible for the economic and technical feasibility, operational capability, and reliability of the LGP's EEM installations.

2.3.4. Unless an extension is authorized by the PG&E Program Manager, LGP shall correct any discrepancy between LGP's reported EEMs and the actual EEMs within fifteen (15) calendar days from the date that such discrepancy is reported by PG&E to LGP, and shall, within the same time period, provide to PG&E Program Manager a revised report reflecting the corrections.

2.3.5. PG&E will inspect 5% of the sites at no charge to the LGP. If more than 10% of the inspections fail within an invoice period, PG&E will, at its sole and absolute discretion, increase the number of inspections and charge the LGP for any and all additional inspections and any re-inspections of failed inspections by deducting the cost from the LGP's T&M contract budget. PG&E and LGP may develop alternate inspection procedures that accomplish the goals of this paragraph.

2.3.6. The products that LGP installs and its installation standards shall meet or exceed PG&E's standards for similar EEMs

2.3.7. LGP shall perform the Natural Gas Appliance Test (NGAT) whenever any infiltration reducing EEM is installed in a home or commercial space with natural gas appliances. This test includes the test for Carbon Monoxide.

- 2.3.8. As part of the Program Management Plan, LGP shall submit to the PG&E Program Manager a quality assurance and quality control plan ("Quality Assurance and Quality Control Plan") as outlined in Exhibit C and as PG&E specifies are applicable to the Program.
- 2.4. This section intentionally left blank.
- 2.5. Prevention of Double-Dipping. This Section 2.5 shall apply when LGP is implementing its own in-house Direct Install, Direct Install-Hybrid or Direct Install Rebate Programs.  
LGP shall develop a plan to prevent Double Dipping and include it as part of the PMP. This plan shall specifically address Program EEMs that are also offered through any of PG&E's other Incentive programs. LGP shall not provide rebates/incentives for any EEMs where a vendor, retailer, distributor, contractor or manufacturer has already provided customer an incentive from another Public Goods Charge (PGC)-funded program. As used in this Contract, rebates/incentives does not mean or include economic benefits from other governmental programs, including but not limited to tax credits, financing, or other incentives available under the Energy Policy Act of 2005, the American Recovery and Reinvestment Act of 2009, or state or local law.
- 2.5.1. The Program Participation Agreement shall provide that the Customer represents, warrants and agrees as follows:
- 2.5.1.1. Customer has not received rebates/incentives for the same EEM from PG&E or from any other PGC-funded program at any time during the three (3) years immediately preceding the date of installation;
- 2.5.1.2. Customer will not apply for or receive rebates/incentives for the same EEM from PG&E or from any other PGC-funded program at any time during the three (3) years immediately succeeding the date of installation; and
- 2.5.1.3. If a Project offers Incentives or services for EEMs for which the Customer may also be eligible under PG&E's Low Income Energy Efficiency (LIEE) program, Customer acknowledges that (a) he or she has received information about the free LIEE program, (b) he or she does not meet the requirements of the LIEE program, and (c) participation in the Project may jeopardize his or her eligibility to participate in the LIEE program in the future.
- 2.5.2. LGP shall retain the original copy of the executed Program Participation Agreement for at least five (5) years after the expiration date of this Contract or the date of LGP's receipt of final payment, whichever date occurs later and shall provide agreement to PG&E upon request.
- 2.5.3. Neither LGP, nor its Subcontractors shall knowingly provide a rebate/Incentive to a Customer or on behalf of customer make any payment to a Subcontractor who has received, or is receiving, any compensation for providing the same product or service through another California PGC-funded program.
- 2.6. Access Agreement (Exhibit M-1: Access Agreement for Monitoring Equipment and Exhibit M-2: Access Agreement for Non-Monitoring Equipment)  
Prior to entering any Customer property (except for meetings for the purposes of marketing or customer recruitment) LGP or its Subcontractor shall obtain an Access Agreement (Exhibit M-1 or M-2, as appropriate). LGP shall retain the original copy of the executed Access Agreement for a period of five (5) years from the expiration date of this Contract or LGP's receipt of final payment under this Contract, whichever date occurs later, and shall provide agreement to PG&E upon request.
- 2.7. Responding to and Tracking Customer Complaints

LGP shall keep records of all Customer complaints in accordance with the mechanism described in the Quality Assurance and Quality Control Plan as set forth in the PMP, and shall provide to PG&E a Monthly Report that will specify such complaints and the actions taken by LGP or its Subcontractors to resolve the complaints. LGP shall retain the records in electronic form for at least five (5) years after the expiration date of this Contract or date of receipt of final payment, whichever date occurs later.

## 2.8. Customer and LGP Disclosure Obligations

2.8.1. LGP shall disclose to all prospective Program participants and Customers, both orally and in writing in the Program Participation Agreement, that Customers are not obligated to purchase any service in excess of the amount as funded through this Program. The text of the disclosure must be in both English and Spanish and/or any other languages as requested by PG&E.

2.8.2. LGP shall include the following English and Spanish disclosure text, and where appropriate, other language translations, in all written materials provided to all prospective Program participants and Customers: "California consumers are not obligated to purchase any full fee service or other service not funded by this program. This program is funded by California utility ratepayers under the auspices of the California Public Utilities Commission (CPUC)."

Spanish Translation:

"Los consumidores en California no están obligados a comprar servicios completos o adicionales que no esten cubiertos bajo este programa. Este programa está financiado por los usuarios de servicios públicos en California bajo la jurisdicción de la Comisión de Servicios Públicos de California (CPUC)."

2.8.3. LGP shall not obligate its Subcontractors to pay any fees including fees for training, material or equipment, to participate in the Program.

## 2.9. End Date for Direct Implementation Activities and Incentive Payments

2.9.1. Unless this Contract is terminated pursuant to Article 27 (Cancellation and Termination of Contract) of the General Conditions or Section 4.3 (Budget Adjustments/Measure Disallowance/Contract Termination) of these Specific Conditions, or LGP receives prior written consent from the PG&E Program Manager to install EEMs after December 31, 2012, pursuant to Section 2.10.2, all implementation activities, including all installation activities and PG&E incentives and/or direct install payments to Customers shall be completed no later than December 31, 2012. Any installation activities approved by PG&E and completed after December 31, 2012 shall be subject to the terms and conditions of this Contract. Final invoice for incentives and /or direct installation is due no later than February 28, 2013, unless otherwise authorized by the Program Manager.

2.9.2. In the event that the CPUC does not issue a final decision by December 31, 2012 for the program cycle following the 10-12 cycle, PG&E may, subject to CPUC approval, continue this contract for a period to be authorized by the CPUC.

## 2.10. Completion of Committed Projects in 2013 (Not Applicable to Information only Programs)

2.10.1. LGP understands and acknowledges that the CPUC has authorized PG&E, in its sole and absolute discretion, to assure that Projects to which a Commitment exists but which have not been installed as of December 31, 2012 may be completed by the LGP during the program cycle following the 2010-2012 program cycle.

2.10.2. In the event that Committed Project(s) may not be completed as of December 31, 2012, LGP shall provide to PG&E Program Manager, on or before November 30, 2012, the following: (a) a list of Projects for which a Commitment was made; (b) each Project's anticipated kW, kWh, and Therm savings (as applicable); (c) a description of each Project; (d) the current status of each Project; (e) the estimated completion date of each Project; (f) the amount of any unspent 2010-2012 Program budget funds that may be applied toward completion of each Project; and (g) the amount of additional funds requested by LGP to complete said Projects. If the PG&E Program Manager, in his or her sole discretion, permits the LGP to complete one or more such Projects, the PG&E Program Manager shall also specify an end date for administrative activities related exclusively to the permitted Projects, and a final invoice date, both of which dates shall be binding on LGP.

2.11. End Date For Administrative Activities

2.11.1. Subject to Section 2.10.2, and under the sole discretion of PG&E PM, and unless this Contract is terminated pursuant to Article 27.0 (Cancellation and Termination of Contract) of the General Conditions or Section 4.3 (Budget Adjustments/Measure Disallowance/Contract Termination) of these Specific Conditions, LGP shall complete all administrative activities by no later than February 28, 2013, including submission of the Final Report. The final invoice is due no later than February 28, 2013, and may not include charges for direct implementation (except as provided in Section 2.10.2) or marketing activities conducted after December 31, 2012.

2.11.2. In the event that the CPUC does not issue a final decision by December 31, 2012 for the program cycle following the 2010-2012 Program Cycle, PG&E and LGP may extend this contract for a certain period as determined by PG&E and subject to CPUC approval.

2.12. Technical Reports (For Programs that develop technical reports)

2.12.1. LGP shall submit all technical reports for PG&E's review and approval. Technical reports shall consist of any and all supporting documentation about the EEMs the LGP used to attain Energy Efficiency. Supporting documentation shall include information to be specified by PG&E, such as work papers, Audit calculations and methodologies, Evaluation, Measure and Verification ("EM&V") or other studies, and/or industry references.

2.12.2. LGP shall include the following language in all technical reports:

**LEGAL NOTICE**

THIS REPORT WAS PREPARED AS A RESULT OF WORK SPONSORED BY THE CALIFORNIA PUBLIC UTILITIES COMMISSION ("COMMISSION"). IT DOES NOT NECESSARILY REPRESENT THE VIEWS OF THE COMMISSION, ITS EMPLOYEES, OR THE STATE OF CALIFORNIA. THE COMMISSION, THE STATE OF CALIFORNIA, ITS EMPLOYEES, CONTRACTORS, AND SUBCONTRACTORS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AND ASSUME NO LEGAL LIABILITY FOR THE INFORMATION IN THIS REPORT; NOR DOES ANY PARTY REPRESENT THAT THE USE OF THIS INFORMATION WILL NOT INFRINGE UPON PRIVATELY OWNED RIGHTS. THIS REPORT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION IN THIS REPORT.

2.13. Conflict of Interest with Policy and Evaluation and PG&E Third Party Implementer Program Contracts

2.13.1. LGP shall not engage in, and shall excuse itself from work requests if such work request will create a conflict of interest due to LGP's contracts related to implementation under this

Contract or any other contracts that relate to PG&E Third Party Implementer Programs or other CPUC funded programs. Furthermore, LGP shall disclose to the PG&E Program Manager the nature of any work it has or will perform that is potentially in conflict with the Work being requested. In the event that LGP is in doubt whether Work being requested is in potential conflict with LGP's other work, LGP shall treat the information as a conflict until such time that PG&E Program Manager renders its decision on the existence or nature of such conflict.

## 2.14. Changes to Program Measures and Customer Incentive Levels

- 2.14.1. LGP may not change Customer Incentive payment structure and Incentive levels structure without advance written notice and approval by the PG&E Program Manager.
- 2.14.2. LGP shall not add, delete, or otherwise amend any Program EEMs without the prior written approval of the PG&E Program Manager. All requests to add Program EEMs shall be accompanied with such supporting documentation as may be requested by the PG&E Program Manager, including, but not limited to, work papers, EM&V or other studies, and/or industry references. PG&E may, in its sole and absolute discretion, determine whether the aforesaid supporting documentation is sufficient to support a EEM's energy savings estimates.
- 2.14.2.1. For all Retrofit Program Measures for which an Incentive is provided to the Customer and/or to persons who install the Measure(s) through the NRR-DR, LGP shall adhere to the Measure definitions and incentive levels as set forth in the current *Nonresidential Retrofit - Demand Response (NRR-DR) Procedures Manual*. No variation in Incentive levels shall be allowed without prior written approval of PG&E Program Manager.
- 2.14.2.2. For all Retrocommissioning Program Measures for which an Incentive is provided to the Customer and/or to party(ies) who install the Measure(s), LGP shall adhere to the PG&E Retrocommissioning Guidelines as provided by the PG&E Program Manager during Task 1 (Set Up Program) (and any subsequent guidelines as may be amended by PG&E from time to time in its sole and absolute discretion), unless otherwise specified in this Contract. No variation in Incentive levels shall be allowed without the prior written approval of PG&E Program Manager

## 2.15. Projects Identified Before Program Launch

- 2.15.1. LGP must receive from the PG&E Program Manager written approval for all Legacy Project payments associated with Projects that were identified and/or some Project analysis completed by LGP or another party before Program Launch. Legacy Projects are eligible for payment by PG&E only under the following conditions: (a) LGP's contribution to Customer's decision to install EEMs is documented to PG&E's sole satisfaction; and (b) The same engineering studies or same work LGP is performing had not been paid for prior to program launch.
- 2.15.2. When program coordination agreements have changed such that a Legacy Project with which LGP is working is no longer within LGP's Eligible Customers as described in Exhibit D (Allowable Geographic Areas, and Customers to be Served by this Program):
- 2.15.2.1. LGP shall continue to work on Legacy Projects for which LGP has obtained PG&E Program Manager approval, or
- 2.15.2.2. If LGP has not obtained PG&E Program Manager approval, LGP shall inform the Customer of the change and shall cease working on the Project immediately.

LGP shall submit the Customer name and a brief Project description to the PG&E Program Manager within 30 days of the execution of this Contract for distribution to the appropriate Implementer.

2.16. Prorating Customer Payments to Self Generating Customers [SFE reviewing Proposed Decision of Nov 17 on this subject]

2.16.1. LGP shall not pay any Customer that generates its own power onsite ("Self-Generation Customers") any Incentive payments for energy savings that exceed the annual energy usage by the Customer as provided by PG&E.

2.16.1.1. kWh, kW and therm savings are limited to the previous 12 months quantity of kWh, kW, and/or therms purchased from or delivered by the utility on the meter(s), serving the equipment to be installed, for which the utility collects the PPP surcharge. The previous 12 months are defined as the calendar year prior to the date the customer submitted the application to the Implementer (including usage from Standby Service and less savings associated with pending energy efficiency applications).

2.16.1.2. PG&E may, at its discretion, change the policy and requirements [CPUC sets policy, not PG&E] for Customer Incentive Payments made to Self-Generation Customers with thirty (30) days' written notice to the LGP.

2.16.1.3. Energy savings for which Incentives are paid cannot exceed the actual usage provided by PG&E. Said energy savings are the total for projects installed through all Public Goods Charge-funded programs including PG&E, third-party implemented, and other local government Partnership programs. Non-utility supply, such as cogeneration or deliveries from another commodity supplier, does not qualify as usage from PG&E (with the exception of Direct Access customers or customers paying departing load fees for which the utility collects Public Goods charges).

2.17. Evaluation, Measure and Verification (EM&V)

2.17.1. LGP shall comply with all CPUC directives regarding Program EM&V and must fulfill all EM&V activities as may be required by the CPUC.

2.17.2. If required by the CPUC to support EM&V activities, LGP shall cooperate fully with the CPUC EM&V contractor and subcontractors and provide all requested information, if any, to assure the timely completion of all Plan tasks requiring LGP involvement or cooperation.

2.17.3. LGP shall cooperate with any PG&E-administered process evaluation or review. LGP may be reimbursed for reasonable costs associated with PG&E-administered process evaluations during the contract performance period. PG&E may review and negotiate with LGP as needed to finalize any process evaluation scope and budget, and amend this Contract as may be required in accordance with PG&E's Change Order procedures.

2.17.4. For EM&V efforts or any financial or operational audit, LGPs shall make available to PG&E, upon request, full program descriptions, detailed descriptions of data tracking systems, baseline conditions, and detailed participant data including financial assistance amounts. For EM&V reporting, LGP shall use definitions of terms supplied by PG&E (including, without limitation thereto, definitions of residential, non-residential, retrofit).

2.18. Use of Current Evaluation, Measurement and Verification Information in Reporting Program Savings; Ownership of Green Attributes

During the course of Contract implementation, in accordance with CPUC directives, PG&E may identify new energy savings estimates, net-to-gross ratios, effective useful lives, or other values that may alter Program Energy Savings. LGP understands that during the course of Contract implementation, state regulations or legislation may be enacted that establish new savings estimates and attribution relating to emissions of greenhouse gases or avoidance of emissions of greenhouse gases, or to other Green Attributes as defined in Exhibit A. LGP shall fully comply with any and all such regulations and legislation. LGP shall use modified values upon PG&E's written request, provided that PG&E modifies LGP's Program budget and/or overall Program Energy Savings consistent with PG&E's requested change.

## 2.19. Reporting

### 2.19.1. Required Reports

- 2.19.1.1. LGP shall submit to PG&E for PG&E's review and approval, all Required Reports specified in Exhibit G (Invoice Reporting Requirements) and in accordance with the due dates listed in Section 2.19.2 (Due Dates for Required Reports) and upon PG&E's request, any supporting documentation and additional information applicable to Required Reports.
- 2.19.1.2. If requested by the PG&E Program Manager, LGP shall also submit reports to the CPUC in accordance with CPUC reporting protocols.
- 2.19.1.3. LGP hereby acknowledges and agrees that LGP's obligations under Section 2.19 is a condition to PG&E's obligation to pay LGP in accordance with Section 4 (Payment Terms). If LGP fails to provide timely, accurate and complete reports and supporting documentation, to PG&E's satisfaction, PG&E reserves the right to withhold or reduce payments to LGP.

### 2.19.2. Due Dates for Required Reports

Report	Due Date	Frequency
Monthly Reports/Time & Materials Invoices	15 <sup>th</sup> day of each month following the previous month	Ongoing throughout length of contract
Quarterly Reports	45 calendar days after the end of each quarter	Ongoing throughout length of contract
Annual Reports	Due by March 31 <sup>st</sup> of each year 2011 and 2012	Twice
Final Report	February 28, 2013	Once

- 2.19.2.1. LGP shall deliver all Deliverables at the times specified in Exhibit B, unless otherwise approved by the PG&E Program Manager.

## 2.20. Regulatory Reporting Requirements

- 2.20.1. LGP shall comply with all CPUC regulatory reporting requirements (without limitation thereto) by providing PG&E with required data in a format suitable for submittal to the CPUC. The regulatory reports shall contain all information and be in any format as may be required and/or modified by the CPUC from time to time. Current regulatory reporting requirements are shown in Exhibit H (Regulatory Reporting Requirements), which is subject to revision at any time by the CPUC.
- 2.20.2. Cost Allocation Methodology. If requested, LGP shall provide to PG&E Program Manager, information pertaining to the calculation or allocation of costs specified in LGP's reports.



LGP shall make changes, consistent with the budget format and definitions approved by the CPUC.

2.20.3. Subcontractor Costs/Activities. Subcontractor costs shall be reported in the format as specified by the CPUC and shall be in compliance with Exhibit H of the Specific Conditions.

2.20.4. Labor. For each of the CPUC reporting categories (Administrative, Marketing, Direct Implementation, and EM&V, if applicable), LGP shall provide a list of names of individuals with the corresponding total number of hours worked by each individual during the month.

2.21. Invoice and Supporting Documentation Requirements

LGP shall provide all supporting documentation needed to substantiate Contract expenditures. Invoice requirements are set forth in Exhibit G (Invoice Reporting Requirements). PG&E may (but shall have no obligation to) modify said requirements from time to time with input and consent of LGP. LGP shall submit Project and EEM data electronically each month. The specific format and detailed data requirements shall be consistent with PG&E's program data requirements

2.22. Record Retention

2.22.1. LGP shall retain Records relating to the Program for at least five (5) years after the expiration date of this Contract or the date of receipt of final payment, whichever date occurs later. These Records shall be kept in a logical order (chronologically as a minimum standard) and shall remain legible, readily identifiable and retrievable during the retention period as stated herein. LGP shall provide Records promptly to PG&E or PG&E's designee upon request or in connection with any financial or operational audit.

2.23. Demand-Side Management (DSM) Coordination and Integration

2.23.1. Coordination With Other Energy Efficiency Programs

2.23.1.1. To enhance consistency in program offerings, where applicable, and to minimize duplicative administrative and marketing costs, LGP shall coordinate its efforts with other Energy Efficiency programs in PG&E's Service Area. LGP's coordination and integration requirements include, but are not limited to, coordination with programs implemented by PG&E, third parties contracted by PG&E, and other local government partnerships, as well as programs targeting low-income Customers.

2.23.1.2. LGP shall use reasonable efforts in its implementation of SFEW to avoid Market Barriers or Lost Opportunities for other program LGPs. If PG&E determines that LGP's program might create Market Barriers or Lost Opportunities, PG&E will discuss its concerns with the LGP and LGP shall work with PG&E to develop and implement program changes that minimize Market Barriers or Lost Opportunities.

2.23.2. Coordination with PG&E Codes and Standards Program

2.23.2.1. If PG&E identifies Codes and Standards compliance and enforcement activities that may be appropriate to incorporate into LGP's Program, LGP shall work with PG&E to incorporate those activities.

2.23.2.2. If LGP undertakes Codes and Standards compliance and enforcement activities, LGP shall work with PG&E to identify approaches that leverage the work of PG&E's Codes and Standards program and avoid duplicative activities.

2.23.3. Coordination With PG&E Emerging Technology Program

2.23.3.1. If PG&E identifies Emerging Technologies that may be appropriate to incorporate into LGP's Program, LGP shall work with PG&E to incorporate those EEMs from PG&E's Emerging Technology Program and shall work with PG&E to obtain approval of the newly incorporated EEMs. LGP shall update all appropriate program materials accordingly including, but not limited to, the Program Management Plan.

2.23.3.2. If LGP identifies Emerging Technology measures that LGP wishes to incorporate, LGP shall work with PG&E to obtain review and approval of new measures.

#### 2.23.4. Coordination With Low-Income Programs

2.23.4.1. This Section applies only to authorized Work relating to Measures and Customers included in PG&E's Low-Income Energy Efficiency (LIEE) program.

2.23.4.2. LGPs whose authorized Work includes Measures that are also included in PG&E's LIEE program shall inform Customers about the LIEE and CARE programs, including eligibility requirements. LGP shall confirm whether Customers understand if they are eligible for the LIEE or CARE programs. LGP shall provide such Customers with written information about LIEE and CARE programs, including ways to participate and contact information.

#### 2.23.5. Integration With Other PG&E Programs

2.23.5.1. LGP shall work with PG&E to provide a comprehensive integrated-solutions approach to maximize resource efficiency by promoting other PG&E programs applicable to LGP's targeted customer segment including, but not limited to, Demand Response, Distributed Generation, and Climate Smart Programs.

2.23.5.2. LGP shall promote DSM integration and coordination by using the following strategies, whenever possible: (a) integrated marketing and outreach; and (b) integrated education and training

#### 2.24. Program Limited to Service Territory

2.24.1. LGP shall ensure that Program funds shall only be allocated as follows:

2.24.1.1. The Program funds must directly benefit the Customers in the PG&E Service Area from which the Public Goods Charge (PGC) funds were collected.

2.24.1.2. Customers who do not pay a PGC fee for gas are not eligible for program services or incentives for gas EEMs

2.24.1.3. Customers who do not pay a PGC fee for electricity are not eligible for program services or incentives for electric EEMs.

#### 2.25. Certain Tax Matters

2.25.1. All Federal tax reports required by the Internal Revenue Service ("IRS") in connection with incentives, rebates, or other services to customers, shall be the obligation of LGP.

#### 2.26. Contractor, Consultant, and Supplier Code of Conduct

2.26.1. PG&E is committed to conduct business in an ethical manner and seeks to achieve this goal through full compliance with all applicable local, state and federal laws, regulations, and government policies. To the extent permitted by law, and where applicable to the provisions

of this Contract, LGP shall abide by the terms of Exhibit K (Contractor, Consultant, and Supplier Code of Conduct) and extend these requirements to any and all subcontractors used to carry out its obligation under this Contract.

### **3. SCOPE OF WORK**

3.1. **TASK 1 – SET UP PROGRAM:** As applicable, LGP shall attend meetings for the purpose of training and shall develop all necessary materials to launch and implement the Program pending PG&E Program Manager approval.

3.1.1. **Attend Program Kick-Off Meeting:** LGP shall attend a program kick-off meeting with the PG&E Program Manager and other PG&E staff, as necessary, to discuss program logistics, marketing coordination, evaluation, monitoring and verification coordination, invoicing requirements, scope of work, and any remaining contractual issues.

3.1.2. **Program Data, Invoicing, and Reporting Training:** LGP shall attend workshops as needed, that provide training on the use of PG&E's data reporting system, as described in Exhibit G (Invoicing Reporting Requirements) and Section 2.21 (Invoice and Supporting Documentation Requirements).

3.1.3. **Invoice and Reporting Tools:** LGP shall prepare templates for the monthly reporting requirements described in Exhibit G (Invoice Reporting Requirements) and Exhibit H (Regulatory Reporting Requirements) in the format specified by PG&E Program Manager.

3.1.3.1. **Deliverables:**

3.1.3.1.1. **Draft Monthly Report Templates**

Due Date: Within 30 calendar days of Contract execution

3.1.3.1.2. **Final Monthly Report Templates incorporating all PG&E Program Manager Comments**

Due Date: One week following receipt of PG&E Program Manager comments

3.1.4. **Detailed Schedule of Activities:** LGP shall develop and submit to PG&E Program Manager for review and approval a detailed schedule of activities and a monthly work plan that conforms to the implementation timetable as set out in Exhibit C (Program Management Plan).

Upon PG&E Program Manager's prior written approval, activities may be added and schedules may be adjusted after the Program is underway, as new opportunities are identified, and/or based on average Customer response time for Project Commitment and installation.

3.1.4.1. **Deliverables:**

3.1.4.1.1. **Draft Schedule of Program activities and monthly work plan**

Due Date: Within 30 calendar days of Contract execution

3.1.4.1.2. **Final Schedule of Program activities and monthly work plan incorporating all PG&E Program Manager Comments**

Due Date: One week following receipt of PG&E Program Manager comments

3.1.5. **Program Marketing Plan:** As part of the Program Management Plan, LGP shall develop and submit to PG&E Program Manager for review and approval a detailed marketing plan ("Marketing Plan") which shall include a list and a description of all program marketing materials ("Program Marketing Materials"), marketing objectives, a description of the marketing tasks to be performed and an associated timeline, a description of the Program Web site structure and content (if applicable), a description of how the LGP shall involve

PG&E customer, field representatives, third party program, trade allies and other resources in promoting the Program, and a description of how the LGP shall market the Program in all geographic areas served by the Implementer as described in Exhibit D (Allowable Geographic Areas, and Customers to be Served by this Program). A marketing handbook to provide guidance to LGP in appropriate marketing activities will be provided by the PG&E Program Manager, and shall be adhered to by LGP to the extent deemed reasonable by the PG&E Program Manager.

3.1.5.1. Deliverables:

- 3.1.5.1.1. Draft Program Marketing Plan  
Due Date: Within 45 calendar days of Contract execution
- 3.1.5.1.2. Final Program Marketing Plan incorporating all PG&E Program Manager Comments  
Due Date: One week following receipt of PG&E Program Manager comments

3.1.6. Program Marketing Materials: LGP shall develop and submit to the PG&E Program Manager for review and approval all Program Marketing Materials, as described in the Marketing Plan and approved by the PG&E Program Manager. Program Marketing Materials may include, but are not limited to, Program descriptions, Web site(s), fact sheets, brochures, advertisements, fliers, presentations, other collateral material, and or other marketing-related materials. LGP shall create and use to promote the Program Marketing Materials that co-markets PG&E in accordance with Exhibit L (Approval Guidelines for Trademark/Trade Name/Logo Use in Co-Marketing Activities) and the Co-Marketing Reference Materials created by the PG&E Marketing Department. LGP shall identify and obtain approval of any claims in marketing materials as required in Section 8 (Claims Substantiation) and shall update them as needed during Program implementation to incorporate new claims. In the case of presentations, LGP shall develop in this Task a template presentation which shall be customized for each target audience or other market actor as necessary throughout the course of the Program.

3.1.6.1. Deliverables:

- 3.1.6.1.1. Drafts of new and revised Program Marketing Materials  
Due Date: One month prior to planned distribution to target audience, and on-going as new or revised Program materials are developed during Program implementation
- 3.1.6.1.2. Final copies of new and revised Program Marketing Materials incorporating all PG&E Program Manager Comments  
Due Date: One week following receipt of PG&E Program Manager comments
- 3.1.6.1.3. Draft of Program website content revisions and planned additions  
Due Date: One month following acceptance of Marketing Plan by PG&E Program Manager, and on-going as new or revised content is developed during Program implementation
- 3.1.6.1.4. Draft of Co-Marketing Program materials  
Due Date: One month prior to planned distribution to target audience, and on-going as new or revised Program materials are developed during Program implementation.
- 3.1.6.1.5. Final copy of Co-Marketing Program materials  
Due Date: One week following PG&E Program Manager comments
- 3.1.6.1.6. Draft of project completion report to leave with served customers (contact information, summary of work performed, and procedure to resolve issues)  
Due Date: Within 30 calendar days of Contract execution

- 3.1.6. 1.7. Final copy of project completion report to leave with served customers (contact information, summary of work performed, and procedure to resolve issues)  
Due Date: One week following PG&E Program Manager comments
- 3.1.7. Program Coordination and Integration Materials: LGP shall provide PG&E a written description of its Program suitable for distribution by PG&E and other DSM program implementers to inform potential participants, including low-income participants, if applicable, about LGP's program. Additionally, if coordinating with other programs, LGP shall submit to the PG&E Program Manager a list of Measures that require coordination with Low-Income programs, and a Coordination Plan for ensuring compliance with this section.
  - 3.1.7.1. Deliverables:
    - 3.1.7.1.1. Draft Program Description  
Due Date: Within 30 calendar days of Contract execution
    - 3.1.7.1.2. Final Program Description incorporating all PG&E Program Manager Comments  
Due date: One week following receipt of PG&E Program Manager comments
    - 3.1.7.1.3. Draft Coordination and Integration Plan  
Due Date: Within 30 calendar days of Contract execution
    - 3.1.7.1.4. Final Coordination and Integration Plan incorporating all PG&E Program Manager Comments  
Due Date: One week following receipt of PG&E Program Manager comments
- 3.1.8. Program Documents: LGP shall develop all documents necessary for implementation of the Program. Program documents shall include, but are not limited to, a Program Management Plan as specified in Exhibit C which includes a Quality Assurance and Quality Control Plan, and all Program forms such as Access Agreement, Program Participation Agreement, Field Verification Form, Customer Feedback Survey, and Customer Service Log.
  - 3.1.8.1. LGP shall submit all documents related to the Program to the PG&E Program Manager for review and approval prior to any distribution, circulation or publication.
  - 3.1.8.2. Deliverables:
    - 3.1.8.2.1. Draft Program Management Plan  
Due Date: Within 45 calendar days of Contract execution
    - 3.1.8.2.2. Final Program Management Plan incorporating all PG&E Program Manager Comments  
Due Date: One week following receipt of PG&E Program Manager comments
    - 3.1.8.2.3. Draft Program Forms  
Due Date: Within 30 calendar days of Contract execution
    - 3.1.8.2.4. Final Program Forms incorporating all PG&E Program Manager Comments  
Due Date: One week following receipt of PG&E Program Manager comments
- 3.2. **TASK 2 – LAUNCH PROGRAM:** As applicable, LGP shall launch the Program by providing information and training to PG&E's customer field representatives and by starting the approved Program marketing campaign pending PG&E Program Manager approval.

- 3.2.1. Program Information: LGP shall develop and provide to the PG&E Program Manager for approval a PowerPoint presentation, and questions and answers (Q&A) document, which provides information about its Program.
- 3.2.2. In order to minimize Customer confusion regarding the various energy savings program offerings, LGP shall work with PG&E customer field representatives to create an energy management strategy best suited for Customers' needs to facilitate Customers' awareness and understanding of the benefits of the applicable PG&E and LGP program offerings and other third party services that are available to them.
  - 3.2.2.1. Deliverables:
    - 3.2.2.1.1. Draft Program PowerPoint presentation, Q&A document and any other informational documents required by the PG&E Program Manager  
Due Date: Within two weeks of receipt by LGP of templates from PG&E Program Manager
    - 3.2.2.1.2. Final Program PowerPoint presentation, Q&A document and any other required informational documents incorporating all PG&E Program Manager Comments  
Due Date: One week following receipt of PG&E Program Manager comments
- 3.2.3. Training: LGP shall provide Program training to PG&E's customer field representatives either via a PG&E-established Webcast or in person at a PG&E facility, as determined by PG&E Program Manager. LGP shall develop and submit to PG&E Program Manager for review and approval an agenda of the Program training event. For the training, LGP shall use Program information presentation(s) and document(s) developed in Task 1 and as requested by PG&E Program Manager. LGP shall establish specific points of contact and offer additional discussions and training throughout the program cycle as deemed appropriate by PG&E and Program staff.
  - 3.2.3.1. Deliverables:
    - 3.2.3.1.1. Draft agenda for Program training event  
Due Date: At least one week prior to scheduled Program training event
    - 3.2.3.1.2. Final agenda for Program training event incorporating all PG&E Program Manager Comments  
Due Date: Two business days following receipt by PG&E Program Manager comments
- 3.2.4. Implement Program Marketing Campaign: LGP shall carry out the marketing campaign based on the final Marketing Plan. All marketing activities shall be coordinated with the PG&E Program Manager. LGP shall notify the PG&E Program Manager in writing prior to implementing the approved Marketing Plan and shall coordinate activities with the PG&E Program Manager, as appropriate.
  - 3.2.4.1. LGP shall work closely with PG&E's staff during Program launch to ensure a consistent and non-overlapping approach to customer marketing and outreach. LGP shall review its initial Customer target list and work with the assigned PG&E customer field representative to identify the best methodology to pursue each targeted Customer segment within his or her jurisdiction and to conduct a coordinated outreach effort based on the relationship between the PG&E staff member and LGP's team.
  - 3.2.4.2. LGP shall continue to revise and produce new Program Marketing Materials and web site content as needed to effectively promote the Program, and shall obtain

PG&E Program Manager approval on all new marketing Materials and web site content prior to distribution and posting.

3.2.4.3. All Program Marketing Materials and activities shall adhere to the guidelines set forth in Exhibit L (Approval Guidelines for Trademark/Trade Name/Logo Use in Co-Marketing Activities) and any additional marketing guidelines provided by the PG&E Program Manager.

3.2.4.4. Deliverables:

3.2.4.4.1. Written notification of plans to implement marketing campaign and related coordination plans

Due Date: After approval of Marketing Plan and at least one week prior to implementation of the marketing campaign

3.2.4.4.2. Copies of new Marketing Materials and Web site content, as applicable

Due Date: Included with monthly reports

3.3. **TASK 3 – ENROLL CUSTOMERS:** LGP shall enroll qualified Customers in the Program and deliver preliminary services in order to achieve installation of Energy-Efficiency Measures. LGP shall screen and evaluate each potential Customer to identify energy efficiency opportunities and determine whether Customer reasonably has the means, motivation and intent to install efficiency measures that will lead to long-term energy savings. LGP shall confirm that the Customer meets all Program eligibility criteria.

If LGP must access Customer facilities in order to perform Program services, LGP shall obtain an Access Agreement, as described in Section 2.6 (Access Agreement (Exhibit M-1: Access Agreement for Monitoring Equipment and Exhibit M-2: Access Agreement for Non-Monitoring Equipment)) signed by an authorized representative of the Customer before LGP may perform Program services on the premises.

#### 3.3.1. Perform Preliminary Program Services

After Customer executes a valid Access Agreement, LGP shall assess Customer's facility and recommend to Customer appropriate efficiency measures and other Program Services to meet the needs of the Customer and advance the goals of the Program. LGP shall inform PG&E representative(s) about the services provided and the status of Program activities specific to his or her assigned customers, as directed by the PG&E Program Manager. LGP shall obtain written approval from the PG&E Program Manager prior to conducting energy audits for large facilities (500 kW and above).

Preliminary Program services include but are not limited to:

- A targeted or comprehensive facility assessment, to identify opportunities throughout the facility. By reviewing all the systems, LGP shall ensure that Lost Opportunities are minimized.
- Design and/or technical assistance, to present the portfolio of measures available under the program and help Customers understand how equipment modifications can save energy as well as address Customer's key considerations.
- Referral to other PG&E offerings, including Demand Response programs and other complementary energy efficiency programs.
- Provide Energy Efficiency tips and/or educational handouts on installed measures.

3.3.1.1. Deliverables (per Project):

3.3.1.1.1. Copy of Audit Report as requested by the Program Manager  
Due Date: On-going through Program cycle

- 3.3.1.2. As applicable, track recommended measures not offered by LGP, referrals to other programs, and description of customer influence to install recommended measures in monthly report  
Due Date: On-going through Program cycle

3.4. **TASK 4 – INSTALL ENERGY EFFICIENT HARDWARE AND PROJECTS:** LGP shall work closely with the Customer and an installation vendor to ensure Project is installed according to the agreed-upon timeline. As a Project is being installed, LGP shall provide periodic oversight at the Customer facility to ensure all equipment being installed meets the design specification and other installation criteria are met.

3.4.1. Deliverables (per Program):

- 3.4.1.1. As requested, LGP shall provide the following documents: project completion report, log of completed and pending projects, and all other required information as indicated in Task 5 below.

Due Date: Ongoing, throughout Program cycle. See Program Implementation Timetable in PMP for projected installation schedule.

For LGPs with In-House Direct Install Hybrid Programs:

Prior to the installation of any EEMs, LGP shall require Customer to sign Program Participation Agreement as described above in Task 3. No Program installations shall occur without such a signed PPA. LGP shall deliver Program Energy Savings through the installation of EEMs specified in the PPA. LGP shall oversee the scheduling and installation of all such measures.

3.4.2. Project Installation: LGP shall work closely with the Customer and an installation vendor to ensure Project is installed according to the agreed-upon timeline. As a Project is being installed, LGP shall provide periodic oversight at the Customer facility to ensure all equipment being installed meets the design specification and other installation criteria are met.

3.4.3. Quality Control: LGP shall verify that all Program Measures specified in the PPA have been installed per the Program Management Plan in accordance with the approved Quality Assurance and Quality Control Plan and that Projects are completed according to Program requirements. LGP shall perform or cause to be performed by its selected Subcontractor an installation report of the target facility(ies).

3.4.3.1. Deliverables (per Project):

- 3.4.3.1.1. Necessary and supporting project documents as requested by PG&E Program Manager.

Due Date: Ongoing, throughout Program cycle. See Program Implementation Timetable in PMP for projected installation schedule.

3.4.4. Remedy Installation Issues: LGP shall promptly remedy all installation problems that may arise. If equipment installed does not meet equipment specification standards required by the Program or was improperly or partially installed, or is otherwise not functional, such equipment is disqualified for an Incentive. The Installer shall have 15 calendar days to resolve any issues and reschedule an inspection. If upon further inspection, the equipment is found to comply with the necessary specifications, the EEM shall be qualified for an Incentive payment. If upon further inspection, the equipment is still not found to comply with the necessary specifications, those measures shall not be eligible for Program incentive(s).

3.4.5. Payment of Program Incentives: LGP shall make payment of Program Incentives to the Customer or designated Program participant per the process described below.



- LGP shall log into the [www.pgevendorrebates.com](http://www.pgevendorrebates.com) system and enter pre-approved customer information, measures, quantity, and other relevant fields into the system.
- Once entered, LGP shall assemble any additional required documentation to support Project eligibility and energy savings and submit to PG&E Program Manager for review and approval.
- Measures or customers deemed ineligible for the program may be disqualified for payment.

Payment of Incentives — Upon receipt of monthly invoice, LGP shall be paid according to the Customer Incentive payment structure and Incentive level structure as described in the approved PMP.

- 3.5. **TASK 5 – TIME AND MATERIALS INVOICE AND REPORTING:** LGP shall report on Program activities as described below and invoice PG&E as described in Exhibit G (Invoice Reporting Requirements).
- 3.5.1. Invoicing and PG&E Reporting: LGP shall submit a monthly invoice and report to PG&E for Program accomplishments and installations performed in the preceding calendar month. LGP shall implement, adhere to, and submit the items as described in Exhibit G (Invoice Reporting Requirements), and as approved in Task 1 (Set Up Program) above for work completed the preceding month. LGP shall submit a final invoice as referenced below, and Program Final Report as referenced in Task 9. PG&E may need to revise these invoice reporting requirements from time to time, at which time the PG&E Program Manager will notify LGP of the changes.
- 3.5.2. Initially and at least quarterly thereafter, LGP shall submit a report of budget and expenses disaggregated into specific CPUC Allowable Cost line items. LGP shall use the template for quarterly reports as described in Exhibit G (Invoice Reporting Requirements) or as provided by the PG&E Program Manager.
- 3.5.3. LGP shall submit an Annual Report to PG&E. This report shall include cumulative documentation of all Program activities and expenditures during each program year as required by the CPUC and/or the PG&E Program Manager.
- 3.5.4. PG&E may, in its sole and absolute discretion, require LGP to provide such other reports or documentation that PG&E deems appropriate or necessary (“Ad Hoc Reports”). LGP shall comply with any request for such Ad Hoc Report(s) within a reasonable time or, if applicable, within the time requested by PG&E.
- 3.5.5. Additional Data: LGP shall provide additional data or information as required by the CPUC.
- 3.5.5.1. Deliverables:
- 3.5.5.1.1. Monthly Report  
Due Date: The 15<sup>th</sup> calendar day of each month, beginning the month following contract execution.
  - 3.5.5.1.2. Quarterly Report  
Due Date: Within 45 calendar days of the end of each quarter
  - 3.5.5.1.3. Annual Report  
Due Date: March 31<sup>st</sup> 2011 and 2012 following performance of previous year
  - 3.5.5.1.4. Ad Hoc Reports or additional data  
Due Date: As required by PG&E or CPUC
  - 3.5.5.1.5. Final Invoice  
Due Date: No later than February 28, 2013

3.6. **TASK 6 – STRATEGIC PLAN REPORTING:** To support CPUC reporting requirements and implementation of California's Energy Efficiency Strategic Plan (EESP), LGP shall submit to PG&E for PG&E's review and approval (a) a description of LGP's activities that promote the EESP, including, but not limited to, activities that implement the Workforce Education & Training, Codes & Standards and Demand-Side Management Integration strategies outlined in the EESP, (b) metrics associated with these activities, and (c) expenses associated with these activities.

3.6.1. Deliverables:

3.6.1.1. Draft plan of LGP's budget, activities and metrics

Due Date: Within 30 calendar days of Contract execution or within 30 days of demand by PG&E

3.6.1.2. Final plan of LGP's budget, activities and metrics, incorporating all PG&E Program Manager comments

Due Date: One week following receipt of PG&E Program Manager comments

3.7. **TASK 7 – PERFORM CUSTOMER FEEDBACK SURVEYS:** LGP shall obtain Customer feedback concerning LGP's and/or Subcontractor's services and Customer's satisfaction with the Program using the delivery mechanism and methodology developed and approved by the PG&E Program Manager as included in the Program Management Plan in Task 1 (Set Up Program).. LGP shall address and resolve any Customer issues gathered as part of Task 7 in the manner described in Task 8 (Address and Resolve All Customer Issues).

3.7.1. Deliverables:

3.7.1.1. Completed Customer Feedback Surveys in number and form as approved in the PMP

Due Date: On-going throughout Program cycle

3.8. **TASK 8 – ADDRESS AND RESOLVE ALL CUSTOMER ISSUES:** LGP shall track and resolve all Customer issues made known through either Customer Feedback Surveys or by any other means of customer input or contact. LGP shall work to provide continuous improvements in the Program to promote overall Customer satisfaction.

3.8.1. In Task 1, Set Up Program, as part of the Program Management Plan and the Quality Assurance and Quality Control Plan; LGP shall develop and submit for review and approval by PG&E Program Manager a plan to address Customer issues starting at the LGP's Program staff level and escalating up to the PG&E Program Manager.

3.8.2. If any issue cannot be resolved by the LGP to the satisfaction of the Customer within 5 business days of receipt by LGP of a complaint, LGP shall immediately provide PG&E with a detailed description of any such Customer complaint that shall include the name and contact information of the Customer and any other information requested by PG&E as needed to resolve the issue.

3.8.3. LGP shall address all Customer issues at the end of each Customer transaction through the end of the Contract performance period as referenced in Section 2.9 (or any other date as determined by PG&E) which may include follow-up services for warranty concerns. Program staff shall monitor all warranty complaints and resolutions until such date. All remaining Customer service issues at the end of the Contract performance period shall be reported by December 15, 2012.

3.8.4. LGP shall maintain a Customer Service Log to track such Customer issues and the responses to resolve them. LGP shall report Customer feedback issues to the PG&E Program Manager using the monthly reports and the process described above for issues that are not resolved within 5 business days of the date that LGP receives the complaint.

3.8.4.1. Deliverables:

- 3.8.4.1.1. Updated Customer Service Log tracking Customer issues and the response to resolve.  
Due Date: As part of each monthly report
- 3.8.4.1.2. Detailed description of any Customer issue not resolved within five business days of receipt of complaint, to include the name and contact information of the subject Customer and any other information requested by PG&E.  
Due Date: On-going throughout Program cycle

**3.9. TASK 9 – PROGRAM RAMP-DOWN:**

- 3.9.1. Program Ramp-Down: Unless otherwise determined by the CPUC or due to unforeseen events, LGP will adhere to the following program ramp down procedures. LGP shall provide a plan to ramp down the Program (“Program Ramp-Down Plan”). To ensure Program closure, LGP shall plan a Program ramp-down period to commence no later than December 1, 2012. The LGP’s plan for Program ramp-down shall take into consideration that all services must be complete, all Projects and Measures installed, and all Incentives paid to Customers by December 31, 2012. The Program Ramp-Down Plan may include a Program Shut-Down Notification to be delivered to Customers.
- 3.9.2. Program Shut-Down Notification: LGP shall develop and submit for PG&E Program Manager approval a Program Shut-Down Notification as part of the Program Ramp-Down Plan. The Notification will end Customer services while ensuring the continuation of warranty services for one year from the date of service. On December 15, 2012 or earlier, depending upon Program Energy Savings achievement, LGP shall send the Program Shut-Down Notification via mail or fax. This Program announcement shall notify Customers that the Program will be shut-down and shall provide information regarding who the Customers should contact regarding warranty issues. This Program Shut-Down Notification shall also encourage the Customer to actively pursue other PG&E programs that may be available, and to contact PG&E for further information regarding energy efficiency programs.
- 3.9.3. If LGP completes Program recruitments before October 31, 2012, LGP shall inform all parties contacted for Program participation that the Program has reached its quota and that the Program is no longer available. LGP shall resolve all outstanding complaints by December 15, 2012.
- 3.9.4. All Program operations, including Customer service, shall be completely shut-down after the last day of the Contract performance period.
  - 3.9.4.1. Deliverables:
    - 3.9.4.1.1. Draft Program Ramp-Down Plan  
Due Date: Two weeks following receipt by LGP of PG&E Program Manager request and no later than November 15, 2012
    - 3.9.4.1.2. Final Program Ramp-Down Plan incorporating all PG&E Program Manager Comments  
Due Date: One week following receipt of PG&E Program Manager comments
    - 3.9.4.1.3. Draft Program Shut-Down Notification  
Due Date: Two weeks following receipt by LGP of PG&E Program Manager request and no later than November 15, 2012
    - 3.9.4.1.4. Final Program Shut-Down Notification incorporating all PG&E Program Manager Comments  
Due Date: Within one week of receipt of PG&E Program Manager comments

3.10. **TASK 10 – SUBMIT FINAL PROGRAM REPORT:** Unless otherwise determined by the CPUC, LGP shall deliver a Final Program Report to the PG&E Program Manager at the conclusion of the Program and no later than February 28, 2013.

3.10.1. The Final Program Report shall, at a minimum, provide a discussion addressing each of the following sub-topics:

1. Program Overview
2. Summary of Program Accomplishments
3. Program Activities
4. Customer Satisfaction
5. Coordination and Integration Activities
6. Subcontractor and Staffing Changes
7. Description of Best Practices or Program improvement recommendations
8. Description of Challenges or Other Issues
9. Other items requested by the PG&E Program Manager

3.10.1.1. Deliverables:

- 3.10.1.1.1. Draft Program report as outlined above and directed by PG&E Program Manager  
Due Date: February 1, 2013
- 3.10.1.1.2. Final Program report as outlined above and directed by PG&E Program Manager  
Due Date: February 28, 2013

**4. PAYMENT TERMS**

4.1. Payment to LGP shall be dependent upon LGP's completion of all Tasks (including timely and accurate submission of monthly reports) and achievement of Program Energy Savings, as demonstrated by Deliverables submitted by LGP and satisfactory to the PG&E Program Manager.

4.2. Payment Terms

4.2.1. Contract Budget

4.2.1.1 The aggregate total of PG&E payments for all Work authorized and satisfactorily completed under this Contract, as approved by PG&E (the "Contract Budget") shall not exceed \$ 11,540,000. The total payments shall not exceed the following amounts for each payment type, or be reallocated, without prior written approval from the PG&E Program Manager:

Time and Materials:	\$5,770,000
Customer Incentive Payments or Direct Install Reimbursements:	\$5,770,000
<b>Total Contract Budget:</b>	<b>\$11,540,000</b>

4.2.2. Time-and-Material-Based (T&M) Payments

4.2.2.1 LGP shall bill PG&E for that portion of the Contract Budget, which PG&E has agreed to pay on a time-and-materials, not-to-exceed basis, as defined by the CPUC's Allowable Costs table in Exhibit H (Regulatory Reporting Requirements) and according to the labor rates contained in Exhibit F (LGP Approved Billing Rates for Labor). LGP is expected to meet a monthly average Time & Materials target as established in the PMP.

4.2.3. Customer Incentive Payments (Applicable to LGPs with In-House Programs)

- 4.2.3.1. LGP shall invoice PG&E only for Incentive payments that have been made to the Customer. PG&E shall thereafter reimburse LGP only for actual Customer Incentive Payments that have been Installed and Verified, not forecasted or estimated Customer Incentive Payments.
- 4.2.3.2. For Direct Install Hybrid Programs, LGP shall not bill PG&E under the contract for customer co-pay amounts established by LGP's agreements with customers.
- 4.2.3.3. LGP understands, acknowledges, and agrees that PG&E may (but shall have no obligation to) modify the manner in which payments for Customer Incentives are made, including, but without limitation thereto, making Incentive Payments directly to the Customer.

#### 4.3. Budget Adjustments/Measure Disallowance/Contract Termination

- 4.3.1. PG&E reserves the right (but shall have no obligation) to: (a) reduce or increase the overall Contract Budget and associated savings, (b) shift program funds from one program to another, or (c) terminate the Contract. Pending availability of additional funds, authorization from the CPUC and high level of performance, LGP may be considered for additional funds. PG&E will work with LGP to ensure that this process occurs in a timely manner so as to not delay the performance of the program. PG&E may consider the following factors when deciding to reduce, increase or terminate funding, including, but not limited to:
  - 4.3.1.1. Actual Installed Measure Mix (Applicable to LGPs with In-House Programs): PG&E may, but shall have no obligation to, review at any time the actual Measure mix compared to the forecasted Measure mix. Said Measure mix may be reviewed on a Project or a Program basis. If the actual Measure mix varies materially from the forecasted Measure mix, particularly if the actual Measure mix is less comprehensive or produces less energy savings than forecasted, PG&E reserves the right (but shall have no obligation) to disallow or require Measures, and/or reduce or terminate Program funding.
  - 4.3.1.2. Actual Installation Schedule Compared to Forecasted Installation Schedule (Applicable to LGPs with In-House Programs): PG&E may consider reducing or terminating Program funding if the actual installation schedule falls behind the forecasted installation schedule, and PG&E did not cause or contribute to such delay.
  - 4.3.1.3. Customer Satisfaction/Program Quality: PG&E will consider Program Customer satisfaction and Program quality when assessing LGP's performance.
  - 4.3.1.4. Coordination and Integration: PG&E will determine, in its sole and absolute discretion, whether LGP satisfactorily fulfills its coordination and integration obligations with PG&E's own programs, third party programs, and other local government partnerships as set forth in Section 2.23 (Demand-Side Management (DSM) Coordination and Integration).
  - 4.3.1.5. Inspection Results (Applicable to LGPs with In-House Programs): PG&E may consider the number of inspection failures and other inspection findings in assessing LGP's performance.
  - 4.3.1.6. Timely and Accurate Reports: PG&E may consider reducing or terminating Program funding if PG&E determines, in its sole and absolute discretion, that LGP is not preparing timely and accurate reports, and PG&E did not cause or contribute to such delay.

- 4.3.1.7. Program savings and expenditures: PG&E may consider reducing or terminating Program funding if the actual Program savings are less than forecasted Program savings or if actual Program expenditures are more than forecasted Program expenditures.
- 4.3.1.8. Engineering Documentation Quality: PG&E reserves the right to disallow Measures and/or reduce or terminate the Program funding, if PG&E determines, in its sole discretion, that the quality of the documentation to support any Program savings claims is inadequate. Supporting documentation includes, but is not limited to, work papers, Audit calculations and methodologies, and Project-specific data. PG&E will consider whether the Program/Project savings estimates are clear, well documented, defensible, and supported by EM&V or other studies in assessing LGP's performance.
- 4.3.1.9. Customer and Geographic Areas served by Program and Responsiveness to Referrals: PG&E may, but shall have no obligation to, consider areas not fulfilled by LGP Program as indicated in Exhibit D (Allowable Geographic Areas, and Customers to be Served by this Program) and responsiveness to referrals from PG&E when assessing Implementers performance.
- 4.3.2. Prior to reduction or termination of funding and/or Contract, LGP shall have the opportunity to remedy the situation in a manner as agreed upon by LGP and PG&E.
- 4.3.3. LGP shall modify any Program documents as requested, including but not limited to CPUC directives or PG&E portfolio reviews, Measure energy savings, net-to-gross ratios, energy costs, and effective useful lives. This may require an adjustment to LGP's billing rates and Customer Incentive levels.
- 4.3.4. If PG&E reduces funding or terminates the Contract, or does not continue the Program into the next Program Cycle, LGP shall provide PG&E with a status report of all Projects that are underway at the time of termination, including those Projects that have not reached the Commitment stage but have had some analysis performed up through the point of reduction or termination. At PG&E's discretion, PG&E may proceed with Projects that are underway or authorize funding for LGP to complete Projects that are underway.

#### 4.4. Refund for CPUC Disallowance

- 4.4.1. If a CPUC decision or ruling disallows any program costs due to a CPUC finding that LGP acted unreasonably, LGP shall return the amount due to PG&E within thirty (30) calendar days from the date LGP receives written notice from PG&E that the payment is owed.

#### 4.5. Monthly Invoicing

- 4.5.1. LGP shall send the original invoice to PG&E's Accounts Payable Department and the copy to the PG&E Program Manager at the addresses indicated below:

***Send paper original to:***

Pacific Gas and Electric Company  
Accounts Payable  
P.O. Box 7760  
San Francisco, CA 94120-7760

***Send Paper Copy to:***

Pacific Gas and Electric Company  
Attn: Paul Carp  
P.O. Box 770000, M.C. N6G  
San Francisco, CA 94177

## **5. REQUEST FOR DATA**

- 5.1. PG&E shall provide LGP Customer-specific information, which includes, but is not limited to, Customer name, address, account number, billing information, electricity and gas usage history, and program participation history, on a case-by-case basis as resources allow. Upon PG&E's request, LGP shall promptly provide PG&E with a signed original copy of the Authorization To Receive Customer Information or Act on a Customer's Behalf form, in Exhibit I.
- 5.2. PG&E may share Energy Efficiency program data as routinely reported to the CPUC on an aggregated basis, including energy and demand savings, unit accomplishments, and/or number of program participants, which may be reported by Program, Measure, end use, and/or other CPUC reporting categories. Request for program information that is not routinely reported to the CPUC will be reviewed on a case-by-case basis and provided only as resources allow.
- 5.3. LGP shall transfer Customer-specific data or information in accordance with the data transfer approval process and agreement to be provided by the PG&E Program Manager upon full execution and delivery of the Contract. LGP shall ensure Customer-specific information is protected.
- 5.4. Neither this Section 5 nor any other provision of the Contract addresses or resolves LGP's right to obtain or utilize customer specific gas or electric usage data in any context other than the SFEW program. The above does not include any Customer-specific information reported to the CPUC under California Public Utilities Code §583.

## **6. PUBLICATION OF CUSTOMER INFORMATION FOR MARKETING MATERIALS**

- 6.1. LGP may not publish any reports or produce any marketing and promotional materials that may contain Customer-specific information, including, but not limited to, Customer's name, logo, and Proprietary Information and/or Intellectual Property without both of the following:
  - 6.1.1. Customer's prior review and approval of the material to be published or produced; and
  - 6.1.2. Customer's signed License to Use, in the form approved by the PG&E Program Manager.

## **7. APPROVAL OF MARKETING MATERIALS AND MEDIA**

- 7.1. LGP shall submit all Program Marketing Materials to PG&E Program Manager for review and approval prior to the release of such materials. LGP shall consult the tools and resources provided by PG&E, including but not limited to those included in Exhibit L (Approval Guidelines for Trademark/Trade Name/Logo in Co-Marketing Activities). In the event that PG&E determines that LGP's Marketing Materials are false, fraudulent, misleading, not adequately substantiated, do not contain the required Customer disclaimer, have used PG&E's name, trademark or logo without obtaining the appropriate approvals as set forth in Exhibit L, or any other deficiencies, LGP shall not release the Marketing Materials until any and all problems are remedied by LGP to PG&E's sole satisfaction.
- 7.2. LGP shall consult the tools and resources provided by PG&E, including but not limited to those included in Exhibit L (Approval Guidelines for Trademark/Trade Name/Logo in Co-Marketing Activities), for all media materials and outreach efforts being used in conjunction with the Program, as determined by the PG&E Program Manager.

- 7.3. LGP shall not take any action that misappropriates PG&E's or any Third Party's trademark, trade name, logo or other intellectual property. LGP's failure to correct any inadvertent violation of the covenant after notice may be a material breach of this contract.

## **8. CLAIMS SUBSTANTIATION FOR MARKETING MATERIALS**

- 8.1. LGP shall adequately substantiate Claims made as part of the Work in accordance with all applicable requirements of the laws of the State of California, federal common law, statute or regulation, and any local ordinances, if applicable. LGP shall substantiate claims made in all written Program Marketing Materials. As used in this Section 8 of the Specific Conditions, "Claim" means an advertising, promotional or marketing claim, such as but not limited to written or pre-recorded scripted statements about the energy efficiency of, energy or monetary savings associated with, environmental impact of, safety of, reliability of, or performance of any item recommended as part of LPG's Work under this contract, including but not limited to any of the following items: pieces of equipment, appliances, building designs, or energy efficiency measures.
- 8.2. For each item of Program Marketing Materials, LGP shall identify all Claims, and shall have written evidence and data to substantiate the Claim. LGP shall provide all such Claims and Claims substantiation to the PG&E Program Manager upon submittal of the material for PG&E review and approval. If PG&E Program Manager determines that the evidence or data that LGP has submitted to PG&E fails to substantiate the Claim, then LGP shall either provide additional evidence or data, that in PG&E's sole discretion is adequate to substantiate the Claim, or redraft or eliminate the Claim so that the data and evidence, in PG&E's sole discretion, adequately supports the Claims made.
- 8.3. For all Program Marketing Materials, LGP shall identify the source of all photography or quotes used, and shall have prior written approval for any such photography or quotes used to substantiate a claim. LGP shall provide such information to the PG&E Program Manager upon submittal of the Program Marketing Material for PG&E review and approval.

## **9. CONFIDENTIALITY**

- 9.1. In addition to the requirements set out in Article 32.0 of the General Conditions, LGP shall comply with the following additional terms of this Section 9 (Confidentiality) regarding the handling of PG&E Trade Secrets and confidential information about specific PG&E Customers.
- 9.1.1. LGP and Sub-contractors shall use such information solely for the purpose of performing services and Work under the SFEW Program.
- 9.2. In the event that LGP is in doubt as to whether certain information is PG&E Trade Secrets or confidential information about specific PG&E Customers within the meaning of Article 32.0 of the General Conditions, LGP shall protect the information to the extent permitted by law and notify PG&E, as set forth in Article 32.1 or 32.2 of the General Conditions prior to disclosing it.
- 9.3. LGP shall have all of its employees, Subcontractors, and Subcontractor employees who will perform Work or services under this Contract sign a non-disclosure agreement in the form attached hereto as Exhibit J (Non-Disclosure and Use of Information Agreement). Prior to starting said Work or services, LGP shall promptly furnish the original signed non-disclosure agreements to PG&E.
- 9.4. Notwithstanding anything to the contrary contained herein, but without limiting the general applicability of the foregoing, LGP understands, agrees and acknowledges as follows:
- 9.4.1. PG&E hereby reserves the right in its sole and absolute discretion to disclose any and all terms of this Contract and all exhibits, attachments, and any other documents related



therefo to the CPUC, and that the CPUC may reproduce, copy, in whole or in part, or otherwise disclose the Contract to the public.

- 9.4.2. PG&E may be required, or may deem it to be in the best interest of the Program, to disclose to other IOUs certain Program information (excluding any pricing information), which may include, without limitation thereto, Exhibit D (Allowable Geographic Areas, and Customers to be Served by this.

## **10. PG&E PROGRAM MANAGERS**

- 10.1. LGP designates Ann Kelly as LGP's Contract Representative for all matters relating to performance of the authorized Work under this Contract.
- 10.2. PG&E designates Paul Carp as PG&E's PG&E Program Manager for all matters relating to performance of the authorized Work pursuant to this Contract.
- 10.3. The LGP and/or PG&E may change LGP Contract Representative or PG&E Program Manager at any time by providing written notice of the change to the other parties following protocol.

## **11. TIME IS OF THE ESSENCE**

- 11.1. The parties hereby acknowledge that time is of the essence in performing the duties under this Contract. Failure to comply with stated deadlines or milestones may result in termination of this Contract, payments being withheld, or other program modifications. LGP shall immediately notify PG&E Program Manager of any delays or issues that may impact LGP's ability to perform any duties or obligations as mandated by this Contract.

## **12. CONDITION PRECEDENT TO EFFECTIVE DATE; EFFECTIVE DATE**

- 12.1. Condition Precedent. A condition precedent to the effective date of this Agreement is a final and non-appealable order from the CPUC that approves, with terms and conditions acceptable to PG&E as determined by PG&E in its sole and absolute discretion, PG&E's Advice Letter in compliance with D. 09-09-047. Upon satisfaction of the condition precedent, the effective date of this Agreement shall be the date that it is signed by representatives of both PG&E and LGP but no earlier than January 1, 2010.

## **13. NO ENDORSEMENT**

PG&E's Selection of the LGP to implement SFEW does not constitute, nor does it imply in any way, an endorsement by PG&E of the LGP or its Subcontractors. LGP and/or its Subcontractors shall not indicate that PG&E has or will endorse LGP in any form of written, verbal or electronic advertisement or in any other business or marketing development efforts. This prohibition shall survive the terms of this Contract. Violation of this section shall be sufficient cause for the cancellation of this Contract pursuant to the terms outlined in Article 27.0 (Cancellation and Termination of Contract) of the General Conditions, LGP shall not use PG&E's name, logo, trademark, trade name, or other Intellectual Property Rights without PG&E's advance written permission.

## **14. NON-EXCLUSIVITY**

- 14.1. THE PARTIES AGREE THAT THIS CONTRACT DOES NOT ESTABLISH AN EXCLUSIVE CONTRACT BETWEEN PG&E AND LGP. PG&E EXPRESSLY RESERVES ALL ITS RIGHTS, INCLUDING BUT NOT LIMITED TO THE FOLLOWING: THE RIGHT TO UTILIZE OTHERS TO PERFORM OR SUPPLY WORK OR DELIVERABLES OF THE TYPE CONTEMPLATED BY THIS CONTRACT; THE RIGHT TO REQUEST PROPOSALS FROM OTHERS WITH OR WITHOUT REQUESTING PROPOSALS FROM BIDDERS FOR WORK OF THE TYPE CONTEMPLATED BY

THIS CONTRACT, AND THE UNRESTRICTED RIGHT BY PG&E TO RE-BID OR PERFORM ANY SUCH WORK.

## **15. NOTICES OR DEMANDS**

- 15.1. Any written notice, demand, or request required or authorized in connection with this Contract shall be deemed properly given if delivered in person or sent by facsimile, any nationally recognized overnight courier, or first class U.S. mail, postage prepaid, to the address specified below, or to another address specified in writing by a Party. Requests for proposed contract amendments may be sent by e-mail, but execution of such request shall only be executed pursuant to the terms of an authorized Change Order. Notices shall be addressed as follows:

### **LGP CONTRACT REPRESENTATIVE**

City and County of San Francisco  
Attention: Ann Kelly  
11 Grove Street  
San Francisco, CA 94102  
Telephone: 415-355-3720  
Fax: 415-554-6393  
Email: Ann.kelly@sfgov.org

### **PG&E PROGRAM MANAGER**

Pacific Gas and Electric Company  
Attention: Paul Carp  
Mailing Address: Mail Code N6G, PO BOX 770000 SF CA 94177  
Street Address: 245 Market St., San Francisco CA 94105  
Telephone: 415-973-7254  
Fax: 415-973-0580  
Email: PXCZ@pge.com

- 15.2. Notices shall be deemed received by the PG&E Program Manager (a) if personally or hand-delivered, upon the date of delivery to the address of the person authorized to receive such notice if delivered before 5:00 p.m., or otherwise on the business day following personal delivery; (b) if mailed, three business days after the date the notice is postmarked; (c) if by facsimile, upon electronic confirmation of transmission, followed by telephone notification of transmission by the noticing Party; or (d) if by overnight courier, on the business day following delivery to the overnight courier within the time limits set by that courier for next-day delivery.

## **16. CPUC AUTHORITY TO MODIFY/REGULATORY REVIEW**

- 16.1. This Contract shall at all times be subject to changes or modifications by the CPUC. The CPUC may from time to time issue a directive relating to or affecting any aspect of this Contract within the confines of its jurisdiction.
- 16.2. Upon the occurrence of any event or action as described in Section 16.1 PG&E may (but shall have no obligation to) modify, amend, or terminate this Contract in accordance with Article 27.0 (Cancellation and Termination of Contract) of the General Conditions.

## **17. CONFLICT OF TERMS**

- 17.1. In the event of any conflict in the Specific Conditions stated herein and the General Conditions, these Specific Conditions shall control. Should a conflict exist between the Specific Conditions, General Conditions and the Attachments, the Specific Conditions or those Attachments so designated to be revised during Program implementation, shall control. Should a conflict exist

between the Specific Conditions, General Conditions, or Attachments, and any applicable federal, state or local law, rule, regulation, order or code, said law, rule, regulation, order or code shall control. Varying degrees of stringency among the General Conditions, Specific Conditions, Attachments, laws, rules, regulations, orders or codes are not deemed conflicts and the most stringent requirements shall control.

- 17.2. Each party (LGP and PG&E through PG&E Program Manager) shall promptly notify the other of any conflicts or potential conflicts described in or covered by this Section.

#### **18. SUPPLIER DIVERSITY PROGRAM POLICY**

To the extent consistent with the laws of the City and County of San Francisco, the following provisions apply:

- 18.1. CPUC General Order 156 promotes the purchasing of goods and services from women, minority, and/or disabled veteran-owned and controlled business enterprises ("WMDVBES").
- 18.2. There are no specific WMDVBE goals that have been established for LGP to meet in this Contract. However, PG&E expects LGP to assist PG&E in working with WMDVBES.
- 18.3. LGP shall provide to PG&E a list of verified WMDVBES that it expects to do business with during the term of this Contract.
- 18.4. Primary verification of WMDVBES shall be the CPUC WMDVBE Clearinghouse.
- 18.5. REPORTING COMMITMENT: Non-government LGPs shall provide timely and accurate reporting of LGP's detailed spend information with diverse suppliers on PG&E's Supplier Diversity Management System (SDMS) fifteen (15) days following the end of each month.

#### **19. LOCAL HIRING**

- 19.1. To the extent consistent with the laws of the City and County of San Francisco, LGP shall make all reasonable efforts, as mutually determined by PG&E and LGP, to promote the creation of local green jobs by locally hiring individuals or subcontracting with local entities who will be performing the services in accordance with this Agreement.

#### **20. PG&E GREEN SUPPLY CHAIN PROGRAM**

- 20.1. "At Pacific Gas and Electric Company, we are committed to being an environmental leader and demonstrating this through our actions. We pledge to think creatively, work cooperatively and be results-oriented in our environmental stewardship efforts." In alignment with our company environmental policy, and to the extent that policy is consistent with the laws of the City and County of San Francisco, PG&E expects LGP to work collaboratively and in partnership with PG&E's Green Supply Chain Program to develop innovative and sustainable ideas, products, services and operations to continually reduce harmful effects on human health and the environment with the following "CoOps" objectives:

- Commitment: to be more environmentally responsible
  - Establish an environmental policy framework
  - Develop a sustainability report
- Outreach: to educate others about environmental responsibility
  - Mentoring program for suppliers
  - Community programs
  - Employee programs
- Operations: to reduce environmental impacts
  - Greenhouse gas emissions
  - Energy use

Contract number:  
Program Name:

- Water use
- Recycled and non-recycled waste
- Products and Services: environmentally friendly
  - Purchase or produce products and services that are green and environmentally friendly
- Supplier Collaboration: environmental partnerships
  - Sharing best practices and engaging in joint environmental projects with PG&E, PG&E LGPs and/or other PG&E suppliers

For additional information regarding PG&E's Green Supply Chain Program please email [GreenSupplyChain@pge.com](mailto:GreenSupplyChain@pge.com)

**EXHIBITS TO PG&E SPECIFIC CONDITIONS:**

- Exhibit A: Definitions**
- Exhibit B: Scope of Work Deliverable Schedule**
- Exhibit C: Program Management Plan**
- Exhibit D: Allowable Geographic Areas, and Customers to be Served by this Program**
- Exhibit E: Program Participation Agreement for LGPs with In-House Programs**
- Exhibit F: LGP Approved Billing Rates for Labor**
- Exhibit G: Invoice Reporting Requirements**
- Exhibit H: Regulatory Reporting Requirements**
- Exhibit I: Authorization To Receive Customer Information or Act on a Customer's Behalf**
- Exhibit J: Non-Disclosure and Use of Information Agreement**
- Exhibit K: Contractor, Consultant, and Supplier Code of Conduct**
- Exhibit L: Approval Guidelines for Trademark/Trade Name/Logo Use in Co-Marketing Activities**
- Exhibit M-1: Access Agreement for Monitoring Equipment**
- Exhibit M-2: Access Agreement for Non-Monitoring Equipment**

## **Exhibit A: Definitions**

The definition of "Change Order", "Local Government LGP" or "LGP", "Contract", "Party" or "Parties", "PG&E", "Subcontract", "Subcontractor", "Work", as used in the Contract shall be as defined in the General Conditions. The definitions found in the General Conditions are supplemented with the terms defined below solely for these Specific Conditions attached hereto and incorporated herein:

1. Access Agreement - A written agreement (approved in form and substance by PG&E) under which a Customer provides access to its property to (a) LGP or its Subcontractor for the purpose of providing Audit or other Program services; and (b) PG&E and CPUC for purpose of exercising its verification, inspection and review rights pursuant to Section 2.3 or 2.4, as applicable, or to provide other Program services, in return for which LGP will conduct an Audit or other Program service and provide the results to Customer.
2. Ad Hoc Reports - Reports or documentation that PG&E, in its sole and absolute discretion, requires LGP to provide pursuant to Section 3.5.4.
3. Audit or Energy Audit - An objective and structured assessment of existing energy consuming systems within a Customer's place of business, for the sole purpose of identifying no-cost/low-cost facility or Customer operational improvements and Measure investments which can save energy and/or reduce energy demand.
4. Audit Report - The written report given to the Customer to inform Customer of Program audit findings for Customer facilities, including recommended measures and related projected savings.
5. Average Demand (kW) - The average kW consumed during a twelve (12)-month period for a given Customer service agreement which has, and is, billed on a demand meter.
6. Avoided Cost Calculator Workbook ("Calculator") - The spreadsheet tool used to forecast program budgets, accomplishments, and cost-effectiveness. The Calculator uses the CPUC-adopted Time Dependent Valuation methodology to estimate the benefit of the energy saved based upon average load shapes for each measure based upon workpapers.
7. Bridge Funding Period - In D.08-10-027, the CPUC issued "Decision Adopting Bridge Funding For 2009 Energy Efficiency Programs," to continue LGP's program beyond December 31, 2008 and until such time as the CPUC issues a decision approving PG&E's 2009-2011 energy efficiency program application and Consultant's program. Based on this Decision, PG&E signed contract change orders in December 2008 to continue certain 2006-2008 energy efficiency programs.
8. California Energy Action Plan - Energy Resources Conservation and Development Commission (usually called the California Energy Commission), the Public Utilities Commission (CPUC), and the Consumer Power and Conservation Financing Authority (called the CPA - which is now defunct), approved the final State of California Energy Action Plan in 2003, proposed by a subcommittee of the three agencies. The Draft Plan establishes shared goals and specific actions to ensure that adequate, reliable, and reasonably-priced electrical power and natural gas supplies are achieved and provided through policies, strategies, and actions that are cost-effective and environmentally sound for California's consumers and taxpayers.
9. CARE - PG&E's California Alternate Rates for Energy program.
10. Commitment - A written commitment to disburse payment upon the satisfaction, occurrence or the execution and delivery of specified Project/Measures. A commitment must include the following elements:
  - 1) A signed agreement between the LGP and the Customer that describes the Project/Measures to be installed at the Customer premise(s), including estimated energy savings and incentive payments;
  - 2) signature by the Parties with the authority to commit funds and resources to complete the Project; and
  - 3) the time frame for the following Project milestones: a) at least 50% of equipment (by cost) is ordered, and b) date that Project will be installed and operational.

11. Consultant - The same meaning as LGP or Contractor, i.e., the party or parties entering into a Contract with LGP or PG&E for the Work.
12. Contract Budget - The aggregate total of PG&E payments for all Work authorized and satisfactorily completed under this Contract, as approved by PG&E, as set forth in Section 4.2.
13. Cost-Effectiveness - The indicator of the relative performance or economic attractiveness of any energy efficient investment or practice when compared to the costs of energy produced and delivered in the absence of such an investment.
14. CPUC or Commission - The California Public Utilities Commission.
15. Cream Skimming - The pursuit of only the lowest cost or most cost-effective Energy Efficiency Measures, while forgoing or declining other cost-effective opportunities. The determination by PG&E in its sole and absolute discretion that Cream Skimming has resulted in the loss of such opportunities shall be conclusive for the purposes of this Contract.
16. Customer - A residence or business receiving electric and/or gas distribution service from PG&E and paying the Public Goods Charge.
17. Customer Agreement - The agreement under which LGP provides Rebates for an EEM under this Contract
18. Deliverables - Tangible Work products to be provided to PG&E Program Manager for review, approval and documentation of work.
19. Demand Response (DR) - Activities or equipment that induce consumers to use energy at different (lower cost) times of day or to interrupt energy use for certain equipment temporarily, usually in direct response to a price signal.
20. Demand-Side Management (DSM) - Measures taken by a utility to influence the level or timing of customers' energy demand in order to optimize the use of available utility resources. Such measures include evaluating, planning, implementing, and monitoring a wide range of conservation, energy efficiency, load management, fuel substitution, and load retention programs.
21. Direct Install - Programs that provide for the direct installation of hardware through Consultants with zero cost to Customers. Hybrids of this approach exist in the market (see Direct Install-Hybrid).
22. Direct Install-Hybrid - Programs that provide for the direct installation of hardware through consultants with partial or full installed first cost assistance but which include a creative financing plan, including, but not limited to a Customer co-payment or shared savings element.
23. Distributed Generation (DG) - Small-scale electric generating technologies installed at or near an end-user's location. May also be referred to as "distributed energy resources" or "distributed resources."
24. Double-Dipping – Occurs when a Customer takes advantage of multiple California Public Goods Charge-funded programs for undertaking only one activity.
25. Dual Test - The requirement that an Energy Efficiency activity pass both the TRC and the PAC Tests.
26. Emerging Technologies - New energy efficiency technologies, systems, or practices that have significant energy savings potential but have not yet achieved sufficient market share (for a variety of reasons) to be considered self sustaining or commercially viable. Emerging technologies include early prototypes of hardware, software, design tools or energy services that if implemented will result in energy savings.

27. Energy Efficiency - Activities or programs that stimulate Customers to reduce Customer energy use by making investments in more efficient equipment or controls that reduce energy use while maintaining a comparable level of service as reasonably perceived by the Customer.
28. Energy Efficiency Measure, Measure, or EEM - An energy using appliance, equipment, control system, practice (other than practices that rely solely on behavioral changes, such as turning off lights), or design improvement whose installation or implementation results in reduced energy use (purchased from the distribution utility) while maintaining a comparable or higher level of energy service as perceived by the Customer. In all cases, Energy Efficiency Measures decrease the amount of energy used to provide a specific service or to accomplish a specific amount of work (e.g., kWh per cubic foot of a refrigerator held at a specific temperature, therms per gallon of hot water at a specific temperature, etc.). For the purpose of this Contract, solar water heating is an eligible Energy Efficiency measure, provided that it passes the Dual Test of Cost Effectiveness on a stand-alone basis.
29. Evaluation, Measurement, and Verification or EM&V – An evaluation methodology related to energy conservation, by which the evaluator (often a third party entity): (1) determines actual energy savings and demand reduction derived from DSM programs, within agreed upon parameters for confidence level/precision, and (2) provides guidance to energy service providers regarding opportunities to use lessons learned for program-design and/or implementation-process improvements.
30. Field Verification Form - The document used to report findings or verification of Program Measure installations. This Form is required as part of the support documentation for Customer Incentive payments and Installation payments to the LGP. As used in this Contract, Field Verification Forms for Retrocommissioning Projects may also include more detailed information on savings, including monitoring results and post-field verification.
31. Green Attributes – Any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the Contract, and its avoided emission of pollutants. CONTROVERSIAL
32. Hard to Reach Market Sectors or Under-Served Communities and Customer Group – Those customers who do not have easy access to program information or generally do not participate in energy efficiency programs due to a language (primary language spoken is other than English), and/or, business size (less than ten employees) and/or, geographic (businesses in areas other than the San Francisco Bay Area, San Diego area, Los Angeles basin or Sacramento) and/or, or lease (investments in improvements to the building benefit the business only during the lease period; landlords benefit longer).
33. HVAC – Heating, Ventilation, and Air Conditioning Systems.
34. In-House – Programs that are managed and implemented directly by the LGP or a Subcontractor to LGP, and in which the contract for the Work is not held directly between PG&E and a third party.
35. Incentive – See Rebate.
36. Installed and Verified - The savings resulting from installed equipment, verified according to the PG&E-approved Quality Assurance/Quality Control Plan (QA/QC) and approved in writing by PG&E.
37. Installer/Implementer – A PG&E authorized third party contractor who installs EEMs.
38. Intellectual Property Rights - Any and all now or hereafter known tangible and intangible: (1) rights associated with works of authorship, including copyrights, moral rights, and mask-works; (2) trademark, service mark, trade name, and trade dress rights and similar rights; (3) trade secret rights; (4) patents, designs, algorithms, and other industrial property rights; (5) other intellectual and industrial property rights (of every kind and nature and however designated), whether arising by operation of law, contract, license, or otherwise; (6) registrations, applications, renewals, extensions, continuations, continuations-in-part, divisions, or reissues of any of the foregoing now or hereafter in force; and (7) rights in any of the foregoing.



39. IOU - An investor owned utility, including, but not limited, to Pacific Gas and Electric Company ("PG&E"). For the purposes of these Specific Conditions and unless indicated otherwise, all references to an IOU shall mean PG&E.
40. kW - One kilowatt of electricity.
41. kWh - One kilowatt-hour of electricity.
42. Legacy Projects – Non-Direct Install Projects identified or having had some program activity prior to new Program Launch that may move the Customer to install EEMs following new Program Launch.
43. LIEE - PG&E's Low Income Energy Efficiency program.
44. Load Management - Programs which reduce or shift electric peak demand away from periods of high cost electricity to non-peak or lower cost time periods, with a neutral effect on or negligible increase in electric use.
45. Lost Opportunity - The occurrence when a Customer does not install an Energy Efficiency Measure that is cost-effective at the time, but whose installation is unlikely to be cost-effective if the Customer attempts to install the same measure later.
46. Market Barriers – Impediment or hindrance to work associated with the energy watch program.
47. Marketing Materials – Materials meeting the requirements of Section 3.1.6.
48. Marketing Plan – a written plan meeting the requirements of Section 3.1.5.
49. Maximum Demand (kW) - The highest demand (measured in kW), for a given Customer service agreement, over a 12 month period for those Customers who have, and are, billed on a demand meter.
50. Net July-Sept Peak Savings (kW) - The sum across all Measures of their average July through September coincident peak reductions. Peak is based on units installed in each year, regardless of the actual quarter of installation. For hourly load shapes, coincident peak is defined as the load during the five highest system load hours in each month. For time-of-use based load shapes, coincident peak is the summer on-peak kW reduction. The value shall also be adjusted for the net to gross ratio.
51. Net Peak kW - Peak kW savings is deemed to be the peak kW savings from the Database for Energy Efficiency Resource (DEER) for measures where data are available in DEER. For measures that are not in DEER, the peak kW is determined by using industry-accepted calculation methodologies approved by PG&E, based on DEER definition of peak kW. The DEER definition of peak kW is the average grid level impact for the measure from 2 p.m. to 5 p.m. during the three consecutive weekday periods containing the weekday with the hottest temperature of the year. DEER identifies these three contiguous peak kW days for each of the 16 California climate zones, based on the weather data sets developed for the California Title 24 Building Energy Efficiency Standards. DEER also defines a secondary peak demand period for educational facilities and other buildings that tend to operate at greatly reduced use during the peak demand period defined above. For this purpose, DEER uses the next highest peak during a period in which the facility is operated in full-use mode. The net Peak kW value is the Peak kW as defined above adjusted for the net-to- gross ratio.
52. New Construction - (1) new building projects wherein no structure or site footprint presently exists; (2) addition or expansion of an existing building or site footprint; or (3) addition of new load, as in the example of an existing site adding a new process.
53. Nonresidential - Facilities used for business, commercial, agricultural, institutional, and industrial purposes.

54. PG&E Program Manager - The PG&E authorized representative responsible for administering this Contract; monitoring Contract activities, Deliverables and expenses for PG&E; and authorizing invoices for payment.
55. Program Management Plan ("PMP") – A Program Management Plan that is in accordance with the requirements specified in Exhibit C.
56. PPA – A Program Participation Agreement.
57. Program - Energy Efficiency activities and programs that advance PG&E's procurement needs through the administration of this contract.
58. Program Administrator Cost ("PAC") Test - The measurement of the net resource benefits from the perspective of all ratepayers by combining the net benefits of the program to participants and non-participants. The net resource benefits are calculated by subtracting the costs of the Measures/equipment installed and the costs incurred by the program administrator (including any financial incentives or rebates paid to the participants but not including the costs incurred by the participating Customer) from the costs of the supply-side resources eliminated or deferred.
59. Program Energy Savings – The savings specified in Section 1
60. Program Launch - The time period after which the Program is accepting Customer applications.
61. Program Participation Agreement - The document which LGP must use to secure a Customer's Commitment to participate in the Program and Commitment to install the Program Measures. The PPA shall contain (i) the valid signature by the Customer or an authorized representative of the Customer and; (ii) the counter-signature of on the PPA by LGP or an authorized representative of the LGP, signifying LGP's acceptance of the Customer application to participate in the Program.
62. Program Ramp-Down Plan – A plan to ramp down the Program, as described in Section 3.8
63. Project - The installation of Measures at a Customer facility.
64. Proprietary Information --Items PG&E considers to be trade secrets, such as confidential commercial or personal information concerning, but not limited to, technological, ratemaking, legislative, and personnel matters and practices of PG&E, its parent company, subsidiaries, and affiliates, and of PG&E's customers or other members of the public, and confidential information about specific PG&E customers, such as account numbers and information about a particular customer's monthly or annual energy usage, the disclosure of which could constitute a violation of applicable CPUC rules, PG&E's tariffs, and/or the customer's right of privacy under California law.
65. Public Goods Charge – Non-bypassable systems benefit surcharges imposed on retail electric and gas customers to fund energy efficiency, renewable energy, and research, development and demonstration, and low income assistance programs.
66. Quality Assurance and Quality Control Plan – The Quality Assurance and Quality Control Plan section of the Program Management Plan, in accordance with the requirements of Exhibit C.
67. Rebate or Incentive – A monetary amount paid to a customer or payment made to a contractor on behalf of a customer in order to provide a specific product or service.
68. Rebate Program - A Program that encourages Customers to undertake a specific act, typically installing energy efficiency equipment, by providing rebates/incentives.

69. Records - Documents stating or supporting results achieved or providing evidence of activities performed. Records may vary depending on scope of work and program goals but include any documents that demonstrate conformance to program requirements, including but not be limited to, completed and signed Customer applications, trending data, energy savings calculations, training rosters and subject matters, QA/QC inspection data, proof of incentives paid to Customers, project cost data, final approved program documents (QA/QC Plan, Program Management Plan, Marketing Materials), Customer forms indicating that Customer has not received other incentives for the measure(s) (described in Section 2.5 Prevention of Double-Dipping), along with evidence of PG&E approval thereof, audits, and any other documents demonstrating compliance to the conditions of the contract.
70. Residential - Existing single family residences, multi-family dwellings, whether master-metered or individually metered, (defined as dwellings of five units or more with at least one wall or ceiling in common), and buildings that are essentially residential but used for commercial purposes, including, but not limited to, time shares, vacation homes, etc.
71. Retrocommissioning - A systematic process for optimizing an existing building's performance by identifying operational deficiencies and making necessary adjustments to correct the system.
72. Retrofit - 1) Construction that involves complete removal, redesign and replacement of the energy consuming systems of a building or process; 2) projects that require design and selection of new systems based upon the needs of new or modified space function(s); and 3) major tenant improvements that add new load.
73. Service Territory - The geographical area served by PG&E.
74. Task or Tasks – Any and all items of work to be performed pursuant to the Scope of Work and in accordance with the terms and conditions of this Contract.
75. Total Program Net kW Savings - The User-Entered kW savings associated with Measures implemented by LGP and approved by PG&E. For the purposes of this definition, savings are determined ex ante and will not be modified ex poste.
76. Total Program Net kWh Savings - The annual net kWh savings associated with Measures implemented by LGP and approved in writing by PG&E. For the purposes of this definition, savings are determined ex ante and will not be modified ex poste.
77. Total Program Gross kW Savings - The annual gross kW savings associated with Measures installed by LGP and approved by PG&E. For the purposes of this definition, savings are determined ex ante and will not be modified ex post.
78. Total Program Gross kWh Savings - The annual gross kWh savings associated with Measures installed by LGP and approved in writing by PG&E. For the purposes of this definition, savings are determined ex ante and will not be modified ex post.
79. Total Resource Cost ("TRC") Test - The measurement of the net resource benefits from the perspective of all ratepayers by combining the net benefits of the program to participants and non-participants. The net resource benefits are calculated by subtracting the costs of the Measures/equipment installed and the costs incurred by the program administrator (including the costs incurred by the participating Customer but not including the costs incurred for financial incentives or rebates paid to the participants) from the costs of the supply-side resources eliminated or deferred.

**Exhibit B: Scope of Work Deliverable Schedule**

Description	Deliverable		Deliverable Due Date
<b>Task 1: Set Up Program</b>	Monthly Reporting Template	Draft	Within 30 calendar days of Contract execution
		Final	One week following PM comments on draft
	Detailed Schedule of Activities and Monthly Work Plan	Draft	Within 30 calendar days of Contract execution
		Final	One week following PM comments on draft
	Program Marketing Plan	Draft	Within 45 calendar days of Contract execution
		Final	One week following PM comments on draft
	Program Marketing Materials	Draft	One month prior to planned distribution
		Final	One week following PM comments on draft
	Program Web Site Content	Draft	One month following PG&E approval of marketing plan and on-going for new and revised materials
	Co-Marketing Program Materials	Draft	One month prior to planned distribution
		Final	One week following PM comments on draft
	Exit Materials	Draft	Within 30 calendar days of Contract execution
		Final	One week following PM comments on draft
	Program Description	Draft	Within 30 calendar days of Contract execution
		Final	One week following PM comments on draft
	Coordination and Integration Plan	Draft	Within 30 calendar days of Contract execution
		Final	One week following PM comments on draft
	Program Management Plan	Draft	Within 45 calendar days of Contract execution
		Final	One week following PM comments on draft
	Program Forms	Draft	Within 30 calendar days of Contract execution
Final		One week following PM comments on draft	
<b>Task 2: Launch Program</b>	Program Power Point Presentation, Q&A Document about Program	Draft	Within two weeks of template receipt from PG&E
		Final	One week following PM comments on draft
	Training Agenda	Draft	One week prior to Program training event
		Final	Two business days following PM comments on draft
	Notification of plan to implement Marketing Campaign and Related Coordination Plans		One week prior to Program marketing implementation
	Monthly Marketing Activity Log		Monthly
Copies of New Marketing Materials and Web Content		Monthly	
<b>Task 3: Enroll Customers</b>	Audit Report		Monthly
	Track project outcome and recommendations, referrals, and customer influence		Monthly

<b>Task 4:</b> Install Energy Efficient Hardware and Projects	Project Completion Report	On-going	
	Field Verification Form (per Project)	On-going	
<b>Task 5:</b> Invoice and Report for Completed Projects	Monthly Report	15th of each Month	
	Quarterly Report	Within 45 days of the end of each quarter	
	Annual Report	March 31 <sup>st</sup> following performance of previous year	
	Ad Hoc Reports or Additional Data Requests	As Required by PG&E or CPUC	
	Final Invoice	February 28, 2013	
<b>Task 6:</b> Strategic Plan Reporting	Plan of LGP's budget, activities and metrics	Draft	Within 30 calendar days of Contract execution or within 30 days of demand by PG&E
		Final	One week following PM comments on draft
<b>Task 7:</b> Perform Customer Feedback Surveys	Customer Feedback Surveys	On-going	
<b>Task 8:</b> Address and Resolve All Customer Issues	Customer Service Log	Monthly	
	Unaddressed Customer Complaint Log	Within 5 business days of complaint receipt	
<b>Task 9:</b> Ramp Down and Shut Down Program	Program Ramp-Down Plan	Draft	Two weeks following PM request, no later than November 15, 2012
		Final	One week following PM comments on draft
	Program Shut-Down Notification	Draft	Two weeks following PM request, no later than November 15, 2012
		Final	One week following PM comments on draft
<b>Task 10:</b> Submit Final Program Report	Final Program Report	Draft	February 1, 2013
		Final	February 28, 2013

## **Exhibit C: Program Management Plan**

This outline is intended to provide guidance in the creation of LGP's Program Management Plan and is subject to revision through collaboration between LGP and PG&E.

1. Introduction: Summarize objectives and the major components of the LGP
  - a. Program Overview
  - b. Goals: List energy saving and non-energy saving goals
  - c. Targeted Customer Segments, Eligibility Requirements
  - d. Program Dates
  - e. Staff and Subcontractor Responsibilities
    - i. Team Org Chart - departments, subcontractors, and reporting structure
    - ii. Key staff names, titles, and responsibilities
  - f. Local Hiring
  - g. Work Scheduling Methodology
  - h. Implementation Timetable (template provided by PG&E)
  - i. Coordination Plan: Indicate how LGP will coordinate with other programs offered by PG&E
  - j. E3 calculator (template provided by PG&E)
  - k. Process for providing Incentives: Discuss process and requirements for incentive payment to customer
  - l. IRS 1099 reporting procedures
  - m. Ramp down plan
2. Program Elements: Describe activities in the following areas:
  - a. Energy Efficient Retrofits (as applicable)
    - i. Implementation Process
    - ii. Eligible product specification or standards
  - b. Direct Install (as applicable)
    - i. Eligible product specification or standards
    - ii. Single Family and Multifamily Direct Install
    - iii. Implementation Process
  - c. Retro-Commissioning (as applicable)
    - i. Implementation Process
    - ii. Eligible product specification or standards
  - d. Technical Assistance (as applicable)
    - i. Energy Assessment Reports
    - ii. Audit Services
  - e. Policy Assistance (as applicable)
    - i. Policy development and implementation
    - ii. Codes and standards
3. Management Activities
  - a. Meetings
  - b. Communications
  - c. Data Collection and Management
  - d. Reporting
  - e. Customer Satisfaction Surveys
4. Marketing and Outreach Plan
  - a. Objectives
  - b. Target Audience
  - c. Outreach Activities
  - d. Coordination with other stakeholders
  - e. Marketing Material and Collateral
    - i. Web site structure (as applicable)
    - ii. Co-Branding
  - f. Marketing Message
    - i. Outline the major components of the message
    - ii. Customer disclosure text and partnership agreement
  - g. Marketing Schedule

Contract Number:

Program Name:

- h. Distribution Channels
- 5. Training and Education Plan
  - a. Objectives
  - b. Target Audience
  - c. Classes
    - i. Schedule
    - ii. Curriculum
  - d. Workshops
    - i. Schedule
    - ii. Curriculum
- 6. Strategic Plan
  - a. Description of activities that promote the CA Energy Efficiency Strategic Plan
  - b. Metrics for activities
  - c. Expenditures associated with these activities
- 7. Quality Assurance and Quality Control Plan
  - a. Verification: Describe at a minimum the percentage of inspections to be conducted, the inspection agent and who will pay inspection costs
  - b. Tracking customer complaints
  - c. Resolving customer complaints
  - d. Avoiding double dipping
  - e. Dispute resolution procedures (applies to subcontractors and customers)
- 8. Appendix (include appropriate program documents such as applications and agreement)

**Exhibit D: Allowable Geographic Areas, and Customers to be Served by this Program**

This Exhibit D describes the Customers and geographic areas that LGP may serve. LGP shall not serve any other Customers under this program without the prior written approval of the PG&E Program Manager.

LGP understands and agrees that other LGPs, including PG&E, other local governments or other partnerships, and third party implementers, may serve the same Customers, the same geographic locations, and the same end uses as LGP's program. In addition, LGP understands and agrees that other LGPs may offer different incentive levels for the same Customers and same Measures covered by LGP's program.

For the purpose of avoiding customer confusion, ensuring customer satisfaction, and avoiding duplication and overlap of services among the Program and offerings of other LGPs as described above, LGP shall abide by the assignment of Customers and geographic area as described below and in any other such assignment agreement provided by the PG&E Program Manager, and as agreed to by the LGP and any other program offering similar services and under the administration of PG&E. PG&E reserves the right in its sole and absolute discretion to amend these assignments during the course of the Program. No deviation from these assignments is permitted without the prior written consent by the PG&E Program Manager. See also Specific Conditions Section 2.23 (Demand-Side Management (DSM) Coordination and Integration) for further information on coordination and Integration.

**Eligible Customer Geographic Area:**

LGP shall serve Customers in the specified geographic areas of PG&E's Service Area:

Geographic Area (e.g. city, county)	Description of Customer Segment
San Francisco City and County	Municipal (Gas Only)
	Special District
	Non-Profit
	Small/Med Business
	Residential
	Large Commercial
	Education Institutions with the exception of UC, CSU, CCC



## **Exhibit E: Program Participation Agreement Requirements for LGPs with In-House Programs**

As used throughout this document, the term "Party" means LGP and Customer, collectively the "Parties."

**These terms and conditions are to be used as a guideline for the participation agreements tailored to SFEW to be included in the appendix of the PMP.**

### **Specific Terms and Conditions:**

- 1. Feasibility:** PG&E's and/or its consultant's review of the design, construction, operation or maintenance of the Project, Energy Efficiency Measures, does not constitute any representation as to the economic or technical feasibility, operational capability, or reliability of the Project Measures. LGP is solely responsible for the economic and technical feasibility, operational capability and reliability of [LGP's] Project and Measures. (Note: this item must be included in applications and agreements only if LGP is providing design services, etc., and if PG&E (and/or PG&E's consultant) is or may be reviewing the design, etc. If PG&E is not reviewing any of these factors, the entire first sentence should be removed.)
- 2. Savings:** LGP is implementing the Project on Customer's behalf, Customer understands and agrees LGP is solely responsible for ensuring Project savings are calculated using the appropriate baseline and the Project is installed according to Customer's specifications and is delivering the estimated savings. Customer understands incentives will be paid only for energy savings that exceed California Title 20 and Title 24 standards, or industry standards in the absence of applicable local, state or federal standards. (Note: This item must be included if LGP provides installation service outside of program)
- 3. Program Dates:** All incentives must be paid and all installations must be completed by 12/31/12.  
  
Applications must be postmarked by \_\_\_\_/\_\_\_\_/12 in order for incentive to be processed and paid by 12/31/12.
- 4. Project Commitment Process:** The step-by-step commitment process is:
- 5. Qualifying Equipment:**
  - Customer is responsible for checking the product/equipment specification to make sure that all requirements are met.
  - New products ordered, purchased and installed prior to 1/1/10 or after 12/31/12 do not qualify for an incentive. Resale products, products leased, rebuilt, rented, received from warranty or insurance claims, exchanged, won as a prize, or new parts installed in existing products do not qualify.
- 6. Submittal requirement:**
  - a. The documentation which must be submitted by Contractor is:...
  - b. The documentation which must be submitted by Customer is:...
- 7. Measure or Site Details:** Measures eligible to be installed are:...
- 8. Eligibility:**
  - a. Customer must be an electric or natural gas Customer of PG&E with an active meter serviced by PG&E.
  - b. Customers in the following geographic areas of PG&E's Service Territory are eligible: (LGP please list)
- 9. Incentive Payment:**
  - a. Eligible Measures and associated energy savings are: (list or include in attachment)

b. Energy savings calculation methodology, including baseline calculation for calculated Projects and/or minimum efficiency standards as applicable is attached or is as follows: ...

c. Expected incentive payment and payment calculation methodology is:

### General Terms and Conditions

1. **Funding:** LGP is receiving funds from PG&E for this Project, but the Parties agree that PG&E is not liable to either Party for any losses or damages, including incidental or consequential damages, arising from this Agreement. PG&E makes no representation or warranty, and assumes no liability with respect to quality, safety, performance, or other aspect of any design, system or appliance installed pursuant to this Agreement, and expressly disclaims any such representation, warranty or liability.
2. **Incidental and Consequential Damages:** BOTH PARTIES AGREE NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES.
3. **Life of Product:** Customer understands incentive payments are based on related energy benefits over the life of the product. Customer agrees if 1) Customer does not provide PG&E with 100% of the related benefits for the life of the product or a period of 5 years, whichever is less, or 2) Customer ceases to be a distribution Customer of PG&E during said time period, Customer shall refund a prorated amount of incentive payment(s) to PG&E based on the actual period of time for which Customer provided the related energy benefits as an electric Customer of PG&E.
4. **Customers with self generation capabilities:** If Customer has existing on site cogeneration or self-generation, LGP shall not pay incentives for energy savings that exceed Customer's annual energy usage from PG&E. KWh, kW and therm savings are limited to the previous 12 months quantity of kWh, kW, and/or therms purchased from or delivered by the utility on the meter(s), serving the equipment to be installed, for which the utility collects the PPP surcharge. The previous 12 months are defined as the calendar year prior to the date the customer submitted and signed this Program Participation Agreement (including usage from Standby Service and less savings associated with pending energy efficiency applications). This policy is subject to change with 30 day written notice to Customer.
5. **Incentive may not exceed Project cost:** Customer must submit Project invoice(s) which include: vendor name/address/phone, itemized listing of product(s) including quantity, product description(s), manufacturer, model #, and other identifying information as appropriate, Project cost, date invoice paid or payment terms, and installation date.
6. **If Tenant:** If a tenant, Customer is responsible for obtaining the property owner's permission to install the measure(s) for which Customer is applying for an incentive payment. Customer's signature on this application indicates Customer has obtained this permission.
7. **Access:** Customer will allow, if requested, a representative from PG&E, the California Public Utilities Commission (CPUC), LGP, or any authorized subcontractor reasonable access to Facility to verify the installed product.
8. **Compliance with Laws:** LGP shall comply with all federal, state, and municipal laws, ordinances, rules, orders, and regulations, which apply to its actions at the Facility or to the Project.
9. **Advertising:** LGP agrees not to use the names or identifying characteristics of the Customer's Facility for published Project reports (except to fulfill reporting requirements to PG&E and/or the CPUC), advertising, sales promotion or other publicity without the Customer's written approval. In addition, Customer agrees not to use the names or identifying characteristics of LGP for published Project reports, advertising, sales promotion, or other publicity without LGP's written approval.

**10. No Double-Dipping:** Customer understands that Customer cannot receive incentives for the same product, equipment or service from more than one California investor-owned utility or third party Energy Efficiency program offering incentives for the same product, equipment, or service funded with CPUC Public Goods Charge funds. Customer understands this prohibition applies three years prior to and three years after receiving the incentives for the same product, equipment or service.

**10. No Obligation:** California consumers are not obligated to purchase any full fee service or other service not funded by this Program. This Program is funded by California utility ratepayers under the auspices of the CPUC. *Los consumidores en California no están obligados a comprar servicios completos o adicionales que no estén cubiertos bajo este programa. Este programa está financiado por los usuarios de servicios públicos en California bajo la jurisdicción de la Comisión de Servicios Públicos de California (CPUC).*

**11. Availability of Funds:** This program is available on a first-come, first served until allocated funds are depleted. This Program may be modified or terminated without notice.

**AGREED AND ACCEPTED:**

LGP	CUSTOMER
Signed: _____	Signed: _____
Name: _____	Name: _____
Title: _____	Title: _____
Address: _____	Address: _____
_____	_____
Email: _____	Email: _____
Phone: _____	Phone: _____
Date: _____	Date: _____

PG&E Service Agreement ID # \_\_\_\_\_ (Electric)

PG&E Service Agreement ID # \_\_\_\_\_ (Gas)

Tax Status: (circle one)    Corporation    partnership    Individual/Sole Proprietor  
Exempt (Tax exempt, non-profit)

Taxpayer ID #: (circle one and fill in)    EIN    Federal Tax ID    SSN \_\_\_\_\_

The value of incentives and direct installations is taxable. LGP will report incentives and direct installations greater than \$600 to the IRS on Form 1099, unless you are exempt. Please consult your tax advisor concerning the taxability of incentives. Customer, not LGP, is responsible for any taxes imposed as a result of your receipt of incentives from this Program. 1099 will be issued for the Customer, regardless of who the payee is, because the Customer receives the benefits of the incentives.

Contract Number:  
Program Name:

**Exhibit F: LGP Approved Billing Rates for Labor**

<b>Organization</b>	<b>Position</b>	<b>Billing Rates (\$/Hr)</b>
S F Department of the Environment	Director	\$200.00
	Senior Manager	\$150.00
	Program Manager	\$145.00
	Senior Engineer	\$140.00
	Project Manager	\$128.00
	Engineer	\$120.00
	Associate Engineer	\$115.00
	Auditor	\$115.00
	Marketing	\$102.00
	Data Manager	\$102.00
	Clerical	\$93.00

## ***Exhibit G: Invoice Reporting Requirements***

### **Monthly Reports**

LGP shall submit the following files to PG&E by the 15<sup>th</sup> day of each month:

- Measure File
- Invoice and Financial Files
- Monthly Narrative
- Monthly Deliverable Worksheet
- Accruals and Forecasting

During Task 1, Set Up Program, the PG&E Program Manager will work with the LGP to develop specific versions of the measure and financial files that correlate to the Program.

### **Measure Mapping**

During Task 1, Set Up Program, PG&E Program Manager will work with the LGP to “map” all Program Measures to equivalent PG&E measure names prior to reporting achievements. Any additional measures will only be mapped on a case-by-case basis, with prior approval of the PG&E Program Manager.

LGPs continuing into 2010-2012 from 2006-2008 shall conduct measure mapping using the Measure Mapping Requirements Template provided by the PG&E Program Manager during Task 1, Set Up Program.

### **Measure File**

The measure file includes all data elements required to document Customer Commitment and installation activities. The measure file shall be used to record Customer Project-level activities, including Commitments, measure installations, and incentives. When the measure mapping activity is complete, LGPs shall submit Project specific, Measure-level data each month via a secure online file transfer system, as specified by PG&E.

PG&E is currently updating reporting tools and requirements, but anticipates that the required format will be a flat file (ASCII CSV). The format for this file and file transfer requirements will be provided by the PG&E Program Manager during Task 1, Set Up Program. LGP shall adhere to the requirements therein.

### **Invoice and Financial Files**

The financial file includes tabs for reporting Time and Materials-based activities by Task, expenses according to CPUC categories, and a list of all CPUC allowable costs.

The file format will be provided by the PG&E Program Manager during Task 1, Set Up Program.

### **Invoices**

Invoices must include the following components:

- Measure File
- Invoice and Financial File
  - T&M Activities: For each Task, provide Name, Hours worked, Rate, and Total.
  - Expense Summary by CPUC category: Admin, Marketing, and Direct Implementation (non-incentives and incentives).

### Monthly Narrative

The monthly narrative shall include a summary of the Program expenses and achievements and a discussion on the following Program activities occurring during the month:

- Expense Summary Table
- Energy Savings Summary Table
- Summary of Program Accomplishments and LGP's assessment of program performance and status (is the program on target, exceeding expectations, or falling short of expectations, etc.)
- Administrative activities
- Marketing activities
- Direct Implementation activities
- Strategic Plan Activities
- Coordination and Integration Activities
- Summary of customers/projects that receive both Public Goods Charge (PGC) and funding under the 2009 Federal American Recovery and Reinvestment Act (ARRA)
- Changes in program emphasis (new program elements, less or more emphasis on a particular delivery strategy, program elements discontinued, measures discontinued, etc.)
- Near term plans for program over the coming months (i.e., marketing and outreach efforts that are expected to significantly increase program participation, etc.)
- Staffing Changes, if any (include contact information and subcontractor changes)
- Additional Information
- Customer Complaints and Resolution

### Monthly Deliverable Worksheet

LGP may also be required to submit a worksheet (format to be provided by PG&E Program Manager) that outlines specific deliverables accomplished against the Tasks listed in Section 3, Scope of Work.

### Quarterly Reports (As provided by PG&E)

LGP will submit a quarterly report narrative that is used in regulatory reporting to the CPUC using the following format:

**Program Name:** Enter Program Name  
**Program Number:** PGE-XXXX  
**Quarter:** Specify Quarter and Year

1. Program description
2. Administrative activities
3. Marketing activities

Contract Number:

Program Name:

4. Direct implementation activities
5. Program performance/program status
  - Program is on target
  - Program is exceeding expectations
  - Program is falling short of expectations (explain)
6. Program achievements (non-resource programs only)
7. Changes in program emphasis, if any, from previous quarter (new program elements, less or more emphasis on a particular delivery strategy, program elements discontinued, measures discontinued, budget changes)
8. Discuss near-term plans for program over the coming months (e.g., marketing and outreach efforts that are expected to significantly increase program participation)
9. Changes to staffing and staff responsibilities, if any
10. Changes to contracts, if any
11. Changes to contractors and contractor responsibilities, if any
12. Number of customer complaints received
13. Revisions to program theory and logic model, if any

## **Exhibit H: Regulatory Reporting Requirements**

### **1. Program Reporting**

This Exhibit H details PG&E's regulatory reporting requirements to the CPUC, other than those specified in Exhibit G (Invoice Reporting Requirements). LGP shall provide PG&E with the information specified below with respect to the prior month's Program activities, accomplishments and expenditures, for purposes of preparing reports required of PG&E by the CPUC, including the current Monthly, Quarterly and Annual Reports to the extent that the information is not provided by the LGP to PG&E through the Invoice Reporting Requirements as required in Exhibit G. Requirements for these reports may change per the direction of the CPUC or the CPUC's Energy Division. The current reporting requirements are as follows:

### **2. Monthly Report**

LGP shall provide PG&E with the requisite information to be compiled for the monthly portfolio reporting.

#### **2.1 Program Data**

*Program Costs (cost reported cumulative-to-date (also referred to as inception-to-date))*

- Total cumulative commitments (limited to incentive commitments)

*Program Impacts (savings reported cumulative-to-date (also referred to as inception-to-date))*

- Total committed (limited to incentive commitments) net kW, kWh and Therm savings

#### **2.2 Program Changes/New Program Information**

*If applicable, the following information shall be reported in the Monthly report*

- Identification of program terminated during the report month

#### **2.3 Other requirements as determined by the CPUC or the CPUC's Energy Division for monthly reports**

### **3. Quarterly Report**

LGP shall provide PG&E with the requisite information to be compiled for the quarterly portfolio reporting.

**3.1 Program Narratives** – For the program, a description of the program activities occurring during the quarter.

- a. Administrative activities
- b. Marketing activities
- c. Direct Implementation activities
- d. Discussion of changes in program emphasis (new program elements, less or more emphasis on a particular delivery strategy, program elements discontinued, measure discontinued, etc.)
- e. Discussion of near term plans for program over the coming months (i.e., marketing and outreach efforts that are expected to significantly increase program participation, etc.)
- f. Changes to staffing and staff responsibilities, if any
- g. Changes to contacts, if any
- h. Changes to subcontractors and subcontractor responsibilities, if any
- i. Number of Customer complaints received
- j. Program Theory and Logic Model if not already provided in the program's implementation plan, or if revisions have been made.

**LGP will provide additional data or information as required by the CPUC.**



#### 4. Reporting Terminology Definitions

- 4.1 **Program Budget** – The Program budget is the LGP’s total program budget as authorized by the Contract.
- 4.2 **Direct Implementation Expenditures** – Costs associated with activities that are a direct interface with the Customer or Program participant or recipient (i.e., LGP receiving training). *(Note: This is still an open issue, the items included in this definition may be changed by the CPUC pending discussion on the application of the State’s Standard Practice Manual.)*
- 4.3 **Report Month** – The month for which a particular Monthly Report is providing data and information. For example, a report covering the month of July 2006, but prepared and delivered later than July 2006, would still be titled July 2006.
- 4.4 **Program Strategy** – The method deployed by a program in order to obtain program participation.
- 4.5 **Program Element** – A subsection of a program, or body of program activities within which a single program strategy is employed. (Example: A body of program activities employing both an upstream rebate approach and a direct install approach represents two discrete program elements.)

#### 5. Measure Classification

##### 5.1 Measure End-Use Classification

Each Energy Efficiency measure reported shall be classified into one of the following end-use categories:

##### **Residential End Uses**

###### **Detailed End Use**

Clothes Dryer  
Clothes Washer  
Consumer Electronics  
Cooking  
Dishwasher  
Other Appliance  
Building Shell  
Space Cooling  
Space Heating  
Interior Lighting  
Exterior Lighting  
Pool Pump  
Freezers  
Refrigeration  
Water Heating  
Other (User Entered Text String Description)

###### **Aggregated End Use**

Appliances  
Appliances  
Consumer Electronics  
Cooking Appliances  
Appliances  
Appliances  
HVAC  
HVAC  
HVAC  
Lighting  
Lighting  
Pool Pump  
Refrigeration  
Refrigeration  
Water Heating  
  
Other

##### **Nonresidential End Uses**

###### **Detailed End Use**

Building Shell  
Space Cooling  
Space Heating  
Ventilation  
Daylighting  
Interior Lighting  
Exterior Lighting

###### **Aggregated End Use**

HVAC  
HVAC  
HVAC  
HVAC  
Lighting  
Lighting  
Lighting

Office Equipment	Office
Compressed Air	Process
Cooking	Process
Food Processing	Process
Motors	Process
Process Cooling	Process
Process Heat	Process
Process Steam	Process
Pumps	Process
Refrigeration	Refrigeration
Other (User Entered Text String Description)	Other

**5.2 Measure Market Sector/Market Segment Classification**

Where reports require market sector or market segment classification, the following classification scheme shall be used:

<b><i>Market Sector</i></b>	<b><i>Market Segment</i></b>
Residential	NA
Single Family	NA
Multi Family	NA
Mobile Homes	NA
Nonresidential	NAICS CODE (greater than 2 digit not required)
Commercial	NAICS CODE (greater than 2 digit not required)
Industrial	NAICS CODE (greater than 2 digit not required)
Agricultural	NAICS CODE (greater than 2 digit not required)
Unknown	NA

**6. Allowable Costs**

<b>Allowable Costs Table</b>	
<p>The cost items listed on the Allowable Costs sheet are the only costs that can be claimed for bill-payer funded Energy Efficiency work. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to PG&amp;E, the program administrator. If there is a desire to include additional Allowable Cost elements, PG&amp;E should be contacted in order for the administrator to seek approval from the CPUC.</p>	
	<b>9/29/2009</b>
<b>Cost Categories</b>	<b>Allowable Costs</b>
<b>Administrative Cost Category</b>	
	<b>Managerial and Clerical Labor</b>
	Subcontractor Labor - Clerical
	Subcontractor Labor - Staff Management
	Subcontractor Labor - Staff Supervision
	<b>Human Resource Support and Development</b>
	Subcontractor Labor- Human Resources
	Subcontractor Labor - Staff Development and Training
	Subcontractor Benefits - Administrative Labor
	Subcontractor Benefits - Direct Implementation Labor
	Subcontractor Benefits - Marketing/Advertising/Outreach Labor
	Subcontractor Payroll Tax - Administrative Labor
	Subcontractor Payroll Tax - Direct Implementation Labor
	Subcontractor Payroll Tax - Marketing/Advertising/Outreach Labor
	Subcontractor Pension - Administrative Labor
	Subcontractor Pension - Direct Implementation Labor
	Subcontractor Pension - Marketing/Advertising/Outreach Labor
	<b>Travel and Conference Fees</b>
	Subcontractor - Conference Fees
	Subcontractor Labor - Conference Attendance
	Subcontractor - Travel - Airfare
	Subcontractor - Travel - Lodging
	Subcontractor - Travel - Meals
	Subcontractor - Travel - Mileage
	Subcontractor - Travel - Parking
	Subcontractor - Travel - Per Diem for Misc. Expenses
	<b>Overhead (General and Administrative) - Labor and Materials</b>
	Subcontractor Equipment Communications
	Subcontractor Equipment Computing
	Subcontractor Equipment Document Reproduction
	Subcontractor Equipment General Office
	Subcontractor Equipment Transportation
	Subcontractor Food Service

Subcontractor Office Supplies
Subcontractor Postage
Subcontractor Labor - Accounting Support
Subcontractor Labor - Accounts Payable
Subcontractor Labor - Accounts Receivable
Subcontractor Labor - Facilities Maintenance
Subcontractor Labor - Materials Management
Subcontractor Labor - Procurement
Subcontractor Labor - Shop Services
Subcontractor Labor - Administrative
Subcontractor Labor - Transportation Services
Subcontractor Labor - Automated Systems
Subcontractor Labor - Communications
Subcontractor Labor - Information Technology
Subcontractor Labor - Telecommunications

**Marketing/Advertising/Outreach Cost Category**

Subcontractor - Bill Inserts
Subcontractor - Brochures
Subcontractor - Door Hangers
Subcontractor - Print Advertisements
Subcontractor - Radio Spots
Subcontractor - Television Spots
Subcontractor - Website Development
Subcontractor Labor - Marketing
Subcontractor Labor - Media Production
Subcontractor Labor - Business Outreach
Subcontractor Labor - Customer Outreach
Subcontractor Labor - Customer Relations

**Direct Implementation Cost Category**

<b>Financial Incentives to Customers</b>
<b>Program/Project Management</b>
Subcontractor Labor - Program Design
Subcontractor Labor - Program Development
Subcontractor Labor - Program Planning
Subcontractor Labor - Program/Project Management
<b>Activity - Direct Labor</b>
Subcontractor Labor - Facilities Audits
Subcontractor Labor - Curriculum Development
Subcontractor Labor - Customer Education and Training
Subcontractor Labor - Customer Equipment Testing and Diagnostics
<b>Installation and Service - Labor</b>
Subcontractor Labor - Customer Equipment Repair and Servicing
Subcontractor Labor - Measure Installation

	<b>Direct Implementation Hardware and Materials</b>
	Subcontractor - Direct Implementation Literature
	Subcontractor - Education Materials
	Subcontractor - Energy Measurement Tools
	Subcontractor - Installation Hardware
	Subcontractor - Audit Applications and Forms
	<b>Rebate Processing and Inspection - Labor and Materials</b>
	Subcontractor Labor - Field Verification
	Subcontractor Labor - Rebate Processing
	Subcontractor - Rebate Applications
<b>Evaluation, Measurement and Verification</b>	
	Subcontractor Labor - EM&V
	Subcontractor Materials - EM&V
	Subcontractor Benefits - EM&V Labor
	Subcontractor Overhead - EM&V
	Subcontractor Payroll Tax - EM&V Labor
	Subcontractor Pension - EM&V Labor
	Subcontractor Travel - EM&V

**EXHIBIT I - AUTHORIZATION TO RECEIVE CUSTOMER INFORMATION OR ACT ON A CUSTOMER'S BEHALF**

**5. SUBMITTED TO THE FOLLOWING.**

Please check all that apply:

- PG&E                       SoCalGas
- SCE                             SDG&E

**THIS IS A LEGALLY BINDING CONTRACT READ IT CAREFULLY**  
(Please Print or Type)

I, \_\_\_\_\_ NAME \_\_\_\_\_ TITLE (IF APPLICABLE \_\_\_\_\_

of \_\_\_\_\_ (Customer) have the following mailing address  
NAME OF CUSTOMER OF RECORD

, and do hereby  
appoint

MAILING ADDRESS CITY STATE ZIP

of \_\_\_\_\_ Mailing Address  
NAME OF THIRD PARTY

CITY STATE ZIP

to act as my agent and consultant (Agent) for the listed account(s) and in the categories indicated below:

**ACCOUNTS INCLUDED IN THIS AUTHORIZATION:**

1.	SERVICE ADDRESS	CITY	SERVICE ACCOUNT NUMBER
2.	SERVICE ADDRESS	CITY	SERVICE ACCOUNT NUMBER
3.	SERVICE ADDRESS	CITY	SERVICE ACCOUNT NUMBER

(For more than three accounts, please list additional accounts on a separate sheet and attach it to this form)

**INFORMATION, ACTS AND FUNCTIONS AUTHORIZED – This authorization provides authority to the Agent. The Agent must thereafter provide specific written instructions/requests (e-mail is acceptable) about the particular account(s) before any information is released or action is taken. In certain instances, the requested act or function may result in cost to you, the Customer. Requests for information may be limited to the most recent 12 month period.**

I (Customer) authorize my Agent to act on my behalf to perform the following specific acts and functions (initial all applicable boxes):

- 1. Request and receive billing records, billing history and all meter usage data used for bill calculation for all of my account(s), as specified herein, regarding utility services furnished by the Utility<sup>1</sup>.
- 2. Request and receive copies of correspondence in connection with my account(s) concerning (initial all that apply):
  - a. Verification of rate, date of rate change, and related information;
  - b. Contracts and Service Agreements;
  - c. Previous or proposed issuance of adjustments/credits; or
  - d. Other previously issued or unresolved/disputed billing adjustments.
- 3. Request investigation of my utility bill(s).
- 4. Request special metering, and the right to access interval usage and other metering data on my account(s).
- 5. Request rate analysis.
- 6. Request rate changes.
- 7. Request and receive verification of balances on my account(s) and discontinuance notices.

<sup>1</sup> The Utility will provide standard Customer information without charge up to two times in a 12-month period per service account. After two requests in a year, I understand I may be responsible for charges that may be incurred to process this request.

Contract Number:

Program Name:

# EXHIBIT I - AUTHORIZATION TO RECEIVE CUSTOMER INFORMATION OR ACT ON A CUSTOMER'S BEHALF

I (CUSTOMER) AUTHORIZE THE RELEASE OF MY ACCOUNT INFORMATION AND AUTHORIZE MY AGENT TO ACT ON MY BEHALF ON THE FOLLOWING BASIS<sup>2</sup> (initial one box only):

<sup>2</sup>If no time period is specified, authorization will be limited to a one-time authorization

- One time authorization only (limited to a one-time request for information and/or the acts and functions specified above at the time of receipt of this Authorization).
- One year authorization - Requests for information and/or for the acts and functions specified above will be accepted and processed each time requested within the twelve month period from the date of execution of this Authorization.
- Authorization is given for the period commencing with the date of execution until \_\_\_\_\_ (Limited in duration to three years from the date of execution.) Requests for information and/or for the acts and functions specified above will be accepted and processed each time requested within the authorization period specified herein.

### RELEASE OF ACCOUNT INFORMATION:

The Utility will provide the information requested above, to the extent available, via any one of the following. My (Agent) preferred format is (check all that apply):

- Hard copy via US Mail (if applicable)
- Facsimile at this telephone number: \_\_\_\_\_
- Electronic format via electronic mail (if applicable) to this e-mail address: \_\_\_\_\_

I (Customer), \_\_\_\_\_ (print name of authorized signatory), declare under penalty of perjury under the laws of the State of California that I am authorized to execute this document on behalf of the Customer of Record listed at the top of this form and that I have authority to financially bind the Customer of Record. I further certify that my Agent has authority to act on my behalf and request the release of information for the accounts listed on this form and perform the specific acts and functions listed above. I understand the Utility reserves the right to verify any authorization request submitted before releasing information or taking any action on my behalf. I authorize the Utility to release the requested information on my account or facilities to the above Agent who is acting on my behalf regarding the matters listed above. I hereby release, hold harmless, and indemnify the Utility from any liability, claims, demands, causes of action, damages, or expenses resulting from: 1) any release of information to my Agent pursuant to this Authorization; 2) the unauthorized use of this information by my Agent; and 3) from any actions taken by my Agent pursuant to this Authorization, including rate changes. I understand that I may cancel this authorization at any time by submitting a written request. **[This form must be signed by someone who has authority to financially bind the Customer (for example, CFO of a company or City Manager of a municipality).]**

\_\_\_\_\_  
AUTHORIZED CUSTOMER SIGNATURE

\_\_\_\_\_  
TELEPHONE NUMBER

Executed this \_\_\_\_\_ day of \_\_\_\_\_  
MONTH  
YEAR

at \_\_\_\_\_  
CITY AND STATE WHERE EXECUTED

I (Agent), hereby release, hold harmless, and indemnify the Utility from any liability, claims, demand, causes of action, damages, or expenses resulting from, or relating to, the use of Customer information obtained pursuant to this authorization and from the taking of any action pursuant to this authorization, including rate changes.

\_\_\_\_\_  
AGENT SIGNATURE

\_\_\_\_\_  
TELEPHONE NUMBER

\_\_\_\_\_  
COMPANY

Executed this \_\_\_\_\_ day of \_\_\_\_\_  
MONTH YEAR

Contract Number:  
Program Name:

**DOCUMENTO DE PRUEBA I – AUTORIZACIÓN PARA RECIBIR  
INFORMACIÓN DE UN CLIENTE O ACTUAR EN  
REPRESENTACIÓN DE UN CLIENTE**

**PRESENTADO ANTE LOS SIGUIENTES.**

Por favor, marque todas las respuestas correspondientes:

- PG&E                       SoCalGas  
 SCE                          SDG&E

**EL PRESENTE ES UN CONTRATO JURÍDICAMENTE VINCULANTE LÉALO DETENIDAMENTE**

*(Por favor, escriba a máquina o con letra de imprenta)*

Yo \_\_\_\_\_ NOMBRE PUESTO (SI ES PERTINENTE)

de \_\_\_\_\_ (Cliente) tiene la siguiente dirección postal  
NOMBRE DEL CLIENTE REGISTRADO

, y a través del presente  
designo a

\_\_\_\_\_ DIRECCIÓN POSTAL CIUDAD ESTADO CÓDIGO POSTAL

\_\_\_\_\_ de \_\_\_\_\_ DIRECCIÓN POSTAL  
NOMBRE DEL TERCERO

\_\_\_\_\_ CIUDAD ESTADO CÓDIGO POSTAL

para actuar como mi agente y asesor (Agente) para la(s) cuenta(s) que aparece(n) listada(s) y en las categorías indicadas más adelante:

**CUENTAS INCLUIDAS EN ESTA AUTORIZACIÓN:**

- |    |   |
|----|---|
| 1. | _____ DIRECCIÓN DEL SERVICIO _____ CIUDAD _____ NÚMERO DE CUENTA DEL SERVICIO |
| 2. | _____ DIRECCIÓN DEL SERVICIO _____ CIUDAD _____ NÚMERO DE CUENTA DEL SERVICIO |
| 3. | _____ DIRECCIÓN DEL SERVICIO _____ CIUDAD _____ NÚMERO DE CUENTA DEL SERVICIO |

(Para más de tres cuentas, por favor enumere las cuentas adicionales en una hoja de papel por separado y adjúntela a este formulario)

**INFORMACIÓN, FUNCIONES Y ACTOS AUTORIZADOS** – Esta autorización le proporciona autoridad al Agente. Subsecuentemente, el Agente debe suministrar instrucciones/solicitudes específicas por escrito (el uso de E-mail es aceptable) acerca de la(s) cuenta(s) particular(es) antes de que alguna información sea divulgada o una acción sea llevada a cabo. Bajo algunas circunstancias, la función o acto solicitado podría incurrir en un costo para usted, el cliente. Las solicitudes de información podrían estar limitadas al periodo de 12 meses más reciente.

Yo (Cliente) autorizo a mi Agente a actuar en representación mía en el desempeño de los siguientes actos y funciones específicos (escriba sus iniciales en todos los casilleros pertinentes):

1. Solicitar y recibir expedientes de facturación, el historial de facturación y todos los datos de medición del consumo que son utilizados para calcular el monto de las facturas de la totalidad de mi(s) cuenta(s), tal como se especifique en el presente, en relación con los servicios públicos suministrados por la Compañía de Servicios Públicos<sup>1</sup>.
2. Solicitar y recibir copias de correspondencia relacionada con mi(s) cuenta(s) relativas a (ponga sus iniciales en todas las respuestas pertinentes):
- |                          |  |
|--------------------------|--|
| <input type="checkbox"/> | a. Verificación de tarifas, fecha de cambio de tarifas e información relacionada;            |
| <input type="checkbox"/> | b. Contratos y Convenios de Servicio;  |
| <input type="checkbox"/> | c. Emisión previa o propuesta de ajustes/créditos; o   |
| <input type="checkbox"/> | d. Otros ajustes de facturación no resueltos/en disputa que hayan sido emitidos previamente. |
3. Solicitar una investigación de mi(s) cuenta(s) de servicios públicos.
4. Solicitar una medición especial, y el derecho a tener acceso a información de consumo en intervalos y otra información de medición relacionada con mi(s) cuenta(s).
5. Solicitar un análisis de tarifas.
6. Solicitar modificaciones en las tarifas.
7. Solicitar y recibir verificación de los saldos de mi(s) cuenta(s) y notificaciones de interrupción del servicio.

<sup>1</sup> La Compañía de Servicios Públicos proporciona información estándar sobre el cliente sin costo alguno hasta dos veces en un periodo de 12 meses por cuenta del servicio. Después de dos solicitudes en un año, comprendo que podría ser responsable de los cargos en lo que se podría incurrir para tramitar esta solicitud.



# DOCUMENTO DE PRUEBA I - AUTORIZACIÓN PARA RECIBIR INFORMACIÓN DE UN CLIENTE O ACTUAR EN REPRESENTACIÓN DE UN CLIENTE

YO (CLIENTE) AUTORIZO LA DIVULGACIÓN DE LA INFORMACIÓN SOBRE MI CUENTA Y AUTORIZO A MI AGENTE A ACTUAR EN REPRESENTACIÓN MÍA DE LA SIGUIENTE MANERA<sup>2</sup> (ponga sus iniciales únicamente en un casillero):

<sup>2</sup>Si no se especifica un límite de tiempo, la autorización estará limitada a una sola ocasión

- Autorización para una ocasión únicamente (limitada a una sola solicitud de información y/o los actos y funciones especificados anteriormente al momento de recibir esta Autorización).
- Autorización durante un año – Las solicitudes de información y/o para los actos y funciones especificados anteriormente serán aceptados y tramitados cada vez que sean solicitados dentro de un periodo de doce meses a partir de la fecha de firma de esta Autorización.
- Se otorga la Autorización durante el periodo que inicia a partir de la fecha de firma de esta Autorización hasta \_\_\_\_\_ (Duración limitada a tres años a partir de la fecha de firma de esta Autorización.) Las solicitudes de información y/o para los actos y funciones especificados anteriormente serán aceptados y tramitados cada vez que sean solicitados dentro del periodo de vigencia de la Autorización especificado en el presente.

## DIVULGACIÓN DE LA INFORMACIÓN SOBRE LA CUENTA:

La Compañía de Servicios Públicos proporcionará la información solicitada anteriormente, en el grado en el que esté disponible, a través de uno de los siguientes medios. El formato que prefiero (prefiere mi Agente) es (marque todas las respuestas correspondientes)

- Copia impresa a través del Servicio de Correos de Los EE.UU. (de ser pertinente).
- Documento por fax a este número telefónico: \_\_\_\_\_
- Formato electrónico a través de E-mail (de ser pertinente) a esta dirección de E-mail: \_\_\_\_\_

Yo (El Cliente), \_\_\_\_\_ (nombre del signatario autorizado en letra de imprenta), declaro bajo pena de perjurio según lo dispuesto por las leyes del Estado de California que estoy autorizado para firmar este documento en representación del Cliente Registrado que aparece indicado en la parte superior de este formulario, y que poseo la autoridad para obligar financieramente al Cliente Registrado. Asimismo, también certifico que mi Agente posee la autoridad para actuar en representación mía y solicitar la divulgación de información sobre las cuentas indicadas en este formulario y desempeñar los actos y funciones específicos indicados anteriormente. Comprendo que la Compañía de Servicios Públicos se reserva el derecho de verificar toda solicitud de autorización presentada antes de divulgar información o desempeñar algún acto en representación mía. Autorizo a la Compañía de Servicio Público a divulgarle la información solicitada sobre mi cuenta o instalaciones al Agente mencionado anteriormente quien actúa en representación mía en lo relacionado con los asuntos indicados anteriormente. A través del presente, libero de responsabilidad e indemnizo a la Compañía de Servicios Públicos de toda responsabilidad, reclamación, demanda, antecedente de acción judicial, daño o gasto que pudiera resultar de: 1) cualquier divulgación de información a mi Agente de conformidad con esta Autorización; 2) el uso autorizado de esta información por parte de mi Agente; y 3) cualquier acción tomada por mi Agente de conformidad con esta Autorización, incluyendo modificaciones en las tarifas. Comprendo que puedo cancelar esta Autorización en cualquier momento con tan sólo presentar una solicitud por escrito. **[Este formulario debe estar firmado por una persona que posea la autoridad de obligar financieramente al cliente (por ejemplo, el Director Financiero de un compañía o el Administrador Municipal de una municipalidad).]**

\_\_\_\_\_  
FIRMA DEL CLIENTE AUTORIZADO

Firmado este día \_\_\_\_\_ de \_\_\_\_\_ de \_\_\_\_\_  
MES AÑO

\_\_\_\_\_  
NÚMERO TELEFÓNICO

en \_\_\_\_\_  
CIUDAD Y ESTADO DONDE ES  
FIRMADO

Yo (El Agente), a través del presente libero de responsabilidad e indemnizo a la Compañía de Servicios Públicos de toda responsabilidad, reclamación, demanda, antecedente de acción judicial, daño o gasto que pudiera resultar del uso de la información sobre el cliente obtenida de conformidad con esta autorización y de desempeñar cualquier acción de conformidad con esta autorización, incluyendo la modificación de las tarifas.

\_\_\_\_\_  
FIRMA DEL AGENTE

\_\_\_\_\_  
NÚMERO TELEFÓNICO

\_\_\_\_\_  
COMPAÑÍA

Firmado este día \_\_\_\_\_ de \_\_\_\_\_ de \_\_\_\_\_  
MES AÑO

**Exhibit J: Non-Disclosure and Use of Information Agreement**

**PACIFIC GAS AND ELECTRIC COMPANY**

**NONDISCLOSURE AND USE OF INFORMATION AGREEMENT**

THIS AGREEMENT is by and between \_\_\_\_\_ (hereinafter referred to as "Company").  
\_\_\_\_\_ (hereinafter referred to as "Undersigned") authorized  
employee of Company (together, the "Receiving Party"), and PACIFIC GAS AND ELECTRIC COMPANY (hereinafter referred to as  
"PG&E") on the date set forth below.

Undersigned and Company agree as follows:

1. The Receiving Party acknowledges that in the course of performing Work under San Francisco Energy Watch, a partnership program between PG&E and the City and County of San Francisco (SFEW), the Receiving Party will be given access to items PG&E considers to be trade secrets, such as confidential commercial or personal information concerning, but not limited to, technological, ratemaking, legislative, and personnel matters and practices of PG&E, its parent company, subsidiaries, and affiliates, and of PG&E's customers or other members of the public, and/or confidential information about specific PG&E customers, such as account numbers and information about a particular customer's monthly or annual energy usage, the disclosure of which could constitute a violation of applicable CPUC rules, PG&E's tariffs, and/or the customer's right of privacy under California law (together referred to as "confidential information").
2. In consideration of being made privy to such confidential information to the extent permitted by law, the Receiving Party hereby agrees to hold the same in strict confidence, and not to disclose it, or otherwise make it available, to any person or third party, including any affiliate of PG&E that produces energy or energy-related products or services, without the prior written consent of PG&E. If disclosure is required by law, Receiving Party shall provide PG&E at least 48 hours' notice of the request, including the name and business affiliation of the requesting party, prior to any disclosure. The Receiving Party agrees that all such confidential information:
  - (a) shall be used only for the purpose of providing Work under SFEW; and
  - (b) shall not be reproduced, copied, in whole or in part, except when necessary for the purposes set forth in (a) above; and
  - (c) shall, together with any copies, reproductions or other materials developed by Undersigned from which confidential information may be segregated or extracted, be returned to PG&E when no longer required for the Undersigned's obligations (including audit recordkeeping obligations) under SFEW.
3. The Receiving Party agrees to abide by all written or oral directives given to Receiving Party concerning PG&E policies and standards governing access to and use of computer resources and specifically to:
  - (a) to use only the user ID, password and Access Card assigned by Information Protection Services for his or her personal use, [seems odd to allow "personal" use, substitute "his or her use only"] and
  - (b) to maintain the confidentiality of these authentication keys and protect them from use by others.
4. The Receiving Party hereby agrees that any third parties owning any confidential information are express third party beneficiaries of this Agreement.
5. The Receiving Party hereby agrees that for any violation of any provisions of the Agreement, a restraining order and/or injunction may be issued against the Receiving Party in addition to any other remedy PG&E may have at law.
6. This Agreement shall be governed by and interpreted in accordance with the laws of The State of California.

UNDERSIGNED:

COMPANY

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature of Authorized Agent of

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# **Contractor, Consultant and Supplier Code of Conduct**



## INTRODUCTION

TO ALL CONTRACTORS, CONSULTANTS, AND SUPPLIERS:

At PG&E Corporation and Pacific Gas and Electric Company (together, PG&E), we understand that a strong commitment to compliance and ethics is the foundation of a successful business. We strive to ensure that every business decision is guided by our commitment to operate with high ethical standards. We're committed to ethical business conduct and compliance with applicable laws, regulations and policies, and we appreciate and expect your equal commitment as you provide goods and services to PG&E. Our expectation also extends to your subcontractors and sub-suppliers.

**Any work done for PG&E must be preformed in full compliance with all applicable laws, regulations and policies (e.g., environmental, safety, antitrust, and employment), and in accordance with high standards of ethical business conduct.**

**PG&E must comply with all Sarbanes-Oxley requirements regarding the accounting, contracting and payment for goods and services. PG&E's commitment to compliance requires that our contractors, consultants and suppliers accept orders only when accompanied by an approved PG&E purchase order or charge card. Failure to comply with this requirement may impact our ability to reimburse you for goods or services in a timely manner.**

**We expect our employees and our contractors, consultants and suppliers to conduct themselves in a professional manner, to refrain from any action that may be considered a conflict of interest, and to treat others with respect, fairness and dignity. PG&E does not tolerate harassment or discrimination.**

Additional information on our compliance and ethics commitment, as well the Code of Conduct Handbook for our employees is available on the PG&E Corporation website at [http://www.pge-corp.com/aboutus/ethics\\_compliance/](http://www.pge-corp.com/aboutus/ethics_compliance/).

If you have questions or concerns about compliance or ethics issues while working for PG&E, please discuss them with your PG&E business contact. You also may call our toll-free Compliance and Ethics Helpline at 1-888-231-2310 with questions on compliance or ethics issues or to report illegal or unethical activities. The Helpline should be used to raise complaints regarding accounting, auditing matters or internal controls, and for reports about questionable accounting and auditing matters. It is available 24 hours a day, 7 days a week, and you may call anonymously.

We regard our supplier base as a critical and necessary extension of our mission, operations and future success, and we thank you for continuing to make compliance and ethics a top priority as you work with PG&E.

Sincerely,

Kent M. Harvey  
Senior Vice President and Chief Risk and Audit Officer  
PG&E Corporation

## **PRINCIPLES AND STANDARDS OF ETHICAL SUPPLY MANAGEMENT CONDUCT**

PG&E supports the **Principles and Standards of Ethical Supply Management Conduct** as promoted by the Institute for Supply Management:<sup>2</sup>

1. Avoid the intent and appearance of unethical or compromising practice in relationships, actions and communications.
2. Demonstrate loyalty to the employer by diligently following the lawful instructions of the employer, using reasonable care and granted authority.
3. Avoid any personal business or professional activity that would create a conflict between personal interests and the interests of the employer.
4. Avoid soliciting or accepting money, loans, credits or preferential discounts and the acceptance of gifts, entertainment, favors or services from present or potential suppliers that might influence, or appear to influence, supply management decisions.
5. Handle confidential or proprietary information with due care and proper consideration of ethical and legal ramifications and governmental regulations.
6. Promote positive supplier relationships through courtesy and impartiality.
7. Avoid improper reciprocal agreements.
8. Know and obey the letter and spirit of laws applicable to supply management.
9. Encourage support for socially diverse practices.
10. Conduct supply management activities in accordance with national and international laws, customs and practices, your organization's policies and these ethical principles and standards of conduct.
11. Develop and maintain professional competence.
12. Enhance the stature of the supply management profession.

### **CONDUCT STANDARDS**

#### **Safety and Health**

PG&E aims to have an injury and illness-free work environment. To this end, PG&E expects you to perform your work in a way that will protect yourself and others, complying with all safety and health rules and procedures. You should look for and resolve unsafe situations and help and encourage others to work safely. When involved in PG&E-related work, you must report to work fit for duty and remain fit for duty during working hours.

#### **Use of Alcohol, Illegal Drugs or Medication**

PG&E is committed to a drug and alcohol-free workplace. We expect you to avoid using or being under the influence of alcohol while performing work for PG&E or on PG&E property. (Exception: While engaged in PG&E-related work, you may consume alcohol during non-business hours at PG&E-sponsored special occasions or business meetings, if authorized by a PG&E officer or the next level of management below officer, if such consumption is limited, and if doing so does not otherwise violate applicable legal requirements, such as those of the Nuclear Regulatory Commission or the Department of Transportation.)

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<sup>2</sup> Internet website: [www.ism.ws](http://www.ism.ws) (Social Responsibility, Ethics, Principles and Standards of Ethical Supply Management Conduct)

We expect that you won't use, possess, sell, provide, or be under the influence of illegal drugs or other controlled substances while engaged in PG&E-related business. Do not allow the use of prescription drugs or over-the-counter medications to affect your ability to work safely or efficiently.

## **Harassment and Discrimination**

PG&E expects you to conduct yourself in a professional manner and to treat others with respect, fairness and dignity. PG&E does not tolerate harassment or discrimination, including behavior, comments, e-mail messages or other conduct that contributes to an intimidating or offensive environment. Slurs based on race, gender, or religion, or any other conduct, remarks, jokes or pictures that encourage or foster an offensive work environment are dealt with seriously. In addition, we expect you to comply with applicable federal, state, and local statutes that prohibit discrimination or harassment based on race, color, religion, age, sex, national origin, ancestry, physical or mental disability, medical condition, veteran status, marital status, sexual orientation, gender identity or any other non-job-related factor.

## **PG&E Assets**

You are responsible for the proper acquisition, use, maintenance and disposal of PG&E assets (e.g., materials, equipment, tools, real property, information, funds, etc.).

- Acquire assets in compliance with procurement policies and procedures, avoiding any real or apparent conflict of interest.
- Use PG&E assets only for legal and ethical activities.
- Protect PG&E assets from damage, waste, loss, misuse or theft, using assets only after appropriate training.
- Dispose of PG&E assets only with appropriate written approval. PG&E's goal is to obtain fair market value for all assets that no longer are needed, unless they are donated with appropriate approval.
- Don't destroy or take intangible assets, including information about PG&E or others obtained in the course of PG&E-related work. This responsibility extends to safeguarding such information after completion of the PG&E-related work.

PG&E assets such as computers, telephones and cell phones, fax machines, copy machines and vehicles are intended primarily for PG&E business. PG&E allows limited personal use of these and similar assets as long as such use is occasional, doesn't result in excessive costs, doesn't interfere with work responsibilities, and is in compliance with laws, regulations, and any business line or local restrictions. Personal use of a vehicle must be incidental to business use.

Other PG&E assets, including such things as construction equipment, tools and similar assets, may be used only for PG&E business; they are not available for non-PG&E use. Exceptions are permitted in emergency situations or with PG&E officer approval.

## **Privacy**

PG&E retains the right to monitor its assets and work environments in compliance with applicable federal, state and local law. It monitors to promote safety, prevent criminal activity, investigate alleged misconduct and security violations, manage information systems, or for other business reasons.

Even though limited personal use is permitted, you should have no expectation of privacy if you use PG&E

computer or voicemail systems to create, access, transmit, or store information. Such information is accessible to PG&E even if it is password-protected or deleted by the user.

## **Endorsements**

PG&E does not endorse products or services, nor the firms or individuals who supply them. Favoritism must not be implied by testimonials or endorsements of PG&E's use of any materials, supplies, equipment or service, or by the use of PG&E's name or logo in advertising, publicity or catalogues.

## **Supplier Diversity**

PG&E is committed to providing maximum practical business opportunities to women, minority and disabled veteran-owned business enterprises. However, we do not use set-asides, preferences, or quotas in administering our Supplier Diversity program.

## **Proprietary Information**

You may have access to PG&E proprietary non-public information as you perform your PG&E-related work. Don't use this information for gain or advantage, and never share this information without appropriate PG&E approval.

There are restrictions on the flow of non-public information between Pacific Gas and Electric Company and its affiliated companies, although non-public information may be shared freely with the holding company, PG&E Corporation. You may not act as a conduit for the flow of non-public Pacific Gas and Electric Company information to an affiliate other than PG&E Corporation.

## **Corporate Records and Disclosures**

Accurate records and disclosures are critical to PG&E meeting its legal, financial, regulatory, and management obligations. We expect that you will never misstate facts or omit material information related to PG&E-related business. You must ensure that all records, including disclosures, accounts, reports, bills, invoices, time-worked records, correspondence and public communications are full, fair, accurate, timely and understandable. You must never hide, alter, falsify or disguise the true nature of any transaction.

## **CONFLICT OF INTEREST STANDARDS**

### **Conflicts with PG&E's Interests**

PG&E expects you to exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with PG&E's interests. While engaged in PG&E-related work, you must not accept any employment or engage in any work that creates a conflict of interest with PG&E or in any way compromises the work you are to perform.

### **Gifts to PG&E Employees**

Accepting a gift in a business setting can create a sense of obligation or the appearance of obligation. A gift can be anything of value, including such items as a ticket to a sporting event or play, a non-business meal, a bottle of wine, a coffee cup, a free service, a special discount or an all-expense paid trip to a conference or trade show.

PG&E forbids its employees, as well as members of their immediate families, from accepting gifts from contractors, consultants, suppliers or similar business contacts doing business with or seeking to do business

with PG&E, unless all six of the following conditions are met:

- The value of the item must be less than \$100, and the value of all gifts from one business contact during a 12-month period must not exceed \$250. A gift that exceeds either value must be approved by a PG&E officer. Any such gift to an officer must be approved by the officer's supervisor.
- The item is customary and does not create any appearance of impropriety.
- The item imposes no sense of obligation on the receiver.
- The item results in no special or favored treatment.
- The item could not be considered extravagant, excessive, or too frequent considering all of the circumstances, including the employee's ability to reciprocate at company expense.
- The item is not concealed in any way.

PG&E employees may not accept gratuities of cash, or gift cards redeemable for cash, from past, current, or potential contractors, consultants or suppliers.

"Customary business meals" are not considered gifts. These are routine meals, similar in cost to PG&E employees' meals when they entertain clients.

In addition to the restrictions on gifts, employees and members of their families must never accept a loan or payment from a contractor, consultant, supplier or similar business contact under terms that aren't available to the general public.

## **KEY COMPLIANCE AREAS**

### **Environmental Laws and Regulations**

PG&E is committed to being an environmental leader and demonstrating this through its actions. PG&E pledges to think creatively, work cooperatively and be results-oriented in its environmental stewardship efforts. We expect that your PG&E-related decisions will reflect this commitment. PG&E's Environmental Framework is available at [http://www.pgecorp.com/corp\\_responsibility/environmental/](http://www.pgecorp.com/corp_responsibility/environmental/).

In some cases, PG&E may have special permits or programs in place that affect you. Communication with the PG&E contract manager is extremely important to understand any special environmental requirements that may apply to you.

### **Sarbanes-Oxley**

PG&E must comply with all Sarbanes-Oxley requirements regarding the accounting, contracting and payment for goods and services. PG&E's commitment to compliance requires that you accept orders only when accompanied by an approved PG&E purchase order or charge card. Failure to comply with this requirement may impact our ability to reimburse you for goods or services in a timely manner.

### **Political Laws**

Government officials shape the legal and regulatory environment in which PG&E operates. If you interact on PG&E's behalf with government officials or candidates for public office, you must understand and comply with the laws and PG&E policies that control PG&E's participation in the political process including, but not limited to, limitations on gifts, the approval process for contributions, and regulatory reporting requirements.

### **Insider Trading**

PG&E expects that you will never make investment decisions regarding any equity or debt securities based



on information obtained in the course of your PG&E-related work if the information 1) has not been publicly disseminated and 2) could have a material effect on the value of the investment. Examples of such information include expansion plans, major management changes, dividend rates, earnings, mergers and significant new contracts or projects. Using this information is against PG&E's policy and may violate laws or regulations.

## **Copyright Laws**

Copyrighted works may include newsletters, magazine articles, newspapers, books, videotapes, drawings, musical recordings and software. Copyright law protects such works even if they do not include a copyright notice. If you wish to copy material for distribution related to PG&E work, we expect that you will obtain permission from the copyright holder before making copies.

Computer software typically is covered by licensing agreements that prohibit unauthorized use or copying. Do not make unauthorized copies of software that is licensed to PG&E. We expect that you will not load unlicensed software onto PG&E computer equipment or download unauthorized software from the Internet.

## **HOW TO REPORT QUESTIONABLE ACTIVITIES**

The standards of conduct described in this code are critical to the ongoing success of PG&E's relationship with its contractors, consultants and suppliers. If you encounter questionable activities, we encourage you to immediately bring them to our attention through your PG&E business contact or PG&E's Compliance and Ethics Helpline at 1-888-231-2310. You also can contact the Compliance and Ethics Helpline if you have concerns about questionable accounting or auditing matters or internal controls (collectively, "accounting complaints").

The Helpline is available 24 hours a day, 7 days a week. It's a multilingual service that provides a safe place to ask compliance and ethics questions or to communicate concerns. Helpline calls are handled confidentially, to the extent permitted by the law, and can be submitted anonymously, without fear of retribution. PG&E prohibits retaliation against anyone raising complaints or involved in investigations.

*The information provided and procedures set forth in this code of conduct do not confer contractual rights of any kind on any contractor, consultant or supplier or create contractual obligations of any kind for PG&E.*

## ***Exhibit L: Guidelines for Trademark/Trade Name/Logo Use in Co-Marketing Activities***

The PG&E name, logo(s) or trademarks (the "Marks") in stylized form are valuable assets and may be used publicly with permission only from PG&E. In order to protect the value of these assets, PG&E must maintain control over the manner in which the Marks are used. PG&E has established the following set of guidelines for properly using the Marks. If these guidelines are not followed, PG&E may terminate your right to use the Marks.

### **1. General Rules Regarding PG&E Name**

- Any LGP document, Web site, etc. shall refer to PG&E by its full name, i.e., "Pacific Gas and Electric Company."
- LGP may refer to PG&E as "PG&E" as long as "PG&E" is defined elsewhere in the document as an abbreviation for "Pacific Gas and Electric Company."

### **2. Uses That Are Permitted Without Further Authorization**

Except as provided otherwise provided by LGP's Contract, LGP may make factual statements regarding LGP's relationship with Pacific Gas and Electric Company, subject to the terms and conditions of the Contract, the limitations stated in No. 1, above, and the following additional limitation:

- Statement may not indicate that PG&E endorses the LGP's products, services, etc. "Endorsement" means a statement that could be construed as PG&E recommending an LGP product or service, e.g., "Pacific Gas and Electric Company selected xyz vendor because the vendor offers the best meters available."

*Example of allowable use:*

**LGP brochure or Web site with the following statement: "Pacific Gas and Electric Company purchased 10 widgets from us."**

**Example of allowable use in a link: "For more information on rebates available for this product, please visit Pacific Gas and Electric Company's Web site at [www.pge.com](http://www.pge.com)"**

### **3. Uses That Are Permitted Following Consultation With Law Department**

LGP may make factual statements regarding their relationship with Pacific Gas and Electric Company, and use the company logo as part of that communication, subject to the limitations in No. 1, above, and with the following additional limitations:

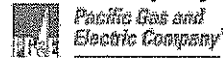
- Statement(s) may not endorse the LGP's products, services, etc.
- The PG&E Law Department should review the proposed use and assess the potential exposure to PG&E, and may require that the LGP sign a use agreement regarding their use of the PG&E logo. LGP shall coordinate with the PG&E Law Department review through the PG&E Program Manager.
- The logo must conform to Corporate Identity Guidelines at PG&E's sole and absolute discretion. The PG&E Program Manager shall provide the Corporate Identity Guidelines to the LGP during Task 1, Set Up Program.

*Example of uses that require Law Department review:*

**"XYZ provides widgets to Pacific Gas and Electric Company."**



***“XYZ is an HVAC contractor for Pacific Gas and Electric Company.”***



4. Uses That Are Permitted Following Consultation With The Law Department And Corporate Communications

LGPs may make factual statements regarding their relationships with Pacific Gas and Electric Company, and use the “PG&E” spotlight logo (without the words “Pacific Gas and Electric Company”) (The PG&E spotlight logo, the Pacific Gas and Electric Company logo, and other logo formats will be provided by the PG&E Program Manager during Task 1, Set Up Program) as part of that communication, but only following consultation with the PG&E Law Department and PG&E Corporate Communications Department, subject to the limitations in No. 1, above, and with the following additional limitations:

- Statement may not endorse the LGP’s products, services, etc.
- The PG&E Law Department must review the proposed use and assess the potential exposure to PG&E, and may require that the LGP sign a use agreement regarding their use of the PG&E logo. LGP shall coordinate the PG&E Law Department review through the PG&E Program Manager.
- The PG&E Corporate Communications Department must review and approve use of the “PG&E” spotlight logo in lieu of the Pacific Gas and Electric Company logo (including approval of logo size, color, placement, etc.). LGP shall coordinate the PG&E Corporate Communications Department review through the PG&E Program Manager.

*Example of uses that require Law Department and Corporate Communications review:*

***“Brought to you by LGPs in Corporate Citizens Supporting Energy Efficiency”***



[INSERT LOGOS OF OTHER LGPS]

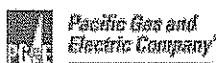
5. Uses That Will Require PG&E Management Review And Discussion (i.e., potentially longer lead time)

- Use of the Pacific Gas and Electric Company logo or PG&E spotlight logo on or with any LGP product or service.
- Use of the Pacific Gas and Electric Company logo or PG&E spotlight logo on a product or to brand a service, in connection with an LGP logo (e.g., co-branding), except as allowed in No. 4 above.
- Endorsements

*Examples of uses that will require management review and discussion:*

***“Pacific Gas and Electric Company believes that XYZ makes the highest quality widget. You should use XYZ widgets too!”***

**A product or service truck bearing the following logos:**



&

[INSERT LGP TRADEMARK]

## **Exhibit M-1: Access Agreement for Monitoring Equipment**

**NOTE:** Access agreement to be used for Implementer access where monitoring equipment is installed. This document to be used as guidance in preparing LGP's tailored Access Agreement, which will be subject to law review before approval

### **ACCESS AGREEMENT**

#### **INTRODUCTION**

This agreement is between [Implementer] and \_\_\_\_\_ (Owner).

As used throughout this document, Implementer and Owner are individually referred to as "Party" and collectively as "Parties". [Describe reason and purpose for needing access to premises]. Description will constitute "Project". Owner grants access to [location], described below as "Facility".

\_\_\_\_\_

The Owner agrees to grant Implementer access to that Facility for the purposes of this Project.

[Implementer] is receiving funds from PG&E for this Project, but Parties agree that PG&E is not liable to either Party for any losses or damages, including incidental or consequential damages, arising from this Agreement.

The following terms will govern this Project:

#### **[Implementer] AGREES:**

1. **Owner Convenience.** To coordinate visits to the Facility with the Owner, so as to minimize any disruptions or inconvenience to the Owner.
2. **Installation.** To install, operate and maintain any test or monitoring Equipment necessary for the Project in a manner that is acceptable to the Owner.
3. **Costs.** To bear all of the actual costs associated with performing the Project.
4. **Compliance with Laws.** To comply with all federal, state, and municipal laws, ordinances, rules, orders, and regulations, which apply to its actions at the Facility or to the Project.
5. **Confidentiality.** Not to use the names or identifying characteristics of the Owner or Owner's Facility for published project reports, advertising, sales promotion or other publicity without the Owner's written approval.
6. **Removal.** To remove the Equipment upon completion of the Project, and to leave the Facility in substantially the same condition it was prior to the Project.

#### **OWNER AGREES:**

7. **Permission.** To permit [Implementer], or its subcontractors, to visit and monitor the Facility, and to install the Equipment for purposes of the Project.
8. **Access.** To permit [Implementer] reasonable access to and egress from the Facility during normal business hours to carry out the work of this study, and to direct Owner's employees and contractors to cooperate with [Implementer] in the conduct of this study.
9. **Equipment Ownership.** That Owner has no ownership, interest or title in the Equipment.
10. **Removal.** To permit removal of the Equipment at any time by [Implementer].

11. **Confidentiality.** Not to use the names or identifying characteristics of [Implementer] or PG&E for any advertising, sales promotion or publicity of any kind without prior written approval by [Implementer].

**BOTH PARTIES AGREE:**

12. **Incidental and Consequential Damages:** NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES.

13. **Term of Agreement.** The term of this Agreement shall not exceed \_\_\_\_ month(s) without written agreement of both Parties. It is anticipated that the test period will be approximately \_\_\_\_ month(s) from installation of the Equipment.

14. **Termination.** Either Party shall have the right to terminate this Agreement at any time. In the event of termination, Implementer shall be granted access to the Facility in order to remove the Equipment. Furthermore, the provisions of this Agreement regarding use of names and ownership (clauses 5, 11 and 15) shall remain in force following termination.

15. **Ownership of Information.** Implementer may provide the Owner with information about its findings regarding this Project, but Implementer shall have all ownership rights, including exclusive copyright ownership, in all data, reports, research results, summaries, information, or other written, recorded, photographic or visual materials (hereinafter "Information") produced and collected during the term of this agreement.

16. **General.** This Agreement shall be binding upon and inure to the benefit of any successors, transferees, heirs and assigns of the Parties. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any third party. This Agreement shall be construed and interpreted in accordance with the laws of the State of California, excluding any choice of law rules that may direct the application of laws of another jurisdiction.

17. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the Parties as to the subject matter of the Agreement.

18. **If Tenant.** If the Facility is under lease, the Owner's tenant who controls the Facility, by executing this agreement, assumes the rights and obligations of the Owner hereunder.

**AGREED AND ACCEPTED:**

**IMPLEMENTER**

**CUSTOMER**

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_

Email: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **Exhibit M-2: Access Agreement for Non-Monitoring**

**NOTE:** Access agreement to be used for Implementer access where no monitoring equipment is installed. This document to be used as guidance in preparing LGP's tailored Access Agreement, which will be subject to law review before approval

### **ACCESS AGREEMENT**

#### **INTRODUCTION**

This agreement is between [Implementer] and \_\_\_\_\_ (Owner).

As used throughout this document, Implementer and Owner are individually referred to as "Party" and collectively as "Parties". [Describe reason and purpose for needing access to premises]. Description will constitute "Project". Owner grants access to [location], described below as "Facility".

\_\_\_\_\_

The Owner agrees to grant Implementer access to that Facility for the purposes of this Project.

[Implementer] is receiving funds from PG&E for this Project, but Parties agree that PG&E is not liable to either Party for any losses or damages, including incidental or consequential damages, arising from this Agreement.

The following terms will govern this Project:

#### **[Implementer] AGREES:**

1. **Owner Convenience.** To coordinate visits to the Facility with the Owner, so as to minimize any disruptions or inconvenience to the Owner.
2. **Costs.** To bear all of the actual costs associated with performing the Project. [This may need to be modified if Owner is funding part of audit]
3. **Confidentiality.** Not to use the names or identifying characteristics of the Owner or Owner's Facility for published project reports, advertising, sales promotion or other publicity or public disclosure without the Owner's written approval.

#### **OWNER AGREES:**

4. **Permission.** To permit [Implementer], or its subcontractors, to visit and monitor the Facility, and to install the Equipment for purposes of the Project.
5. **Access.** To permit [Implementer] reasonable access to and egress from the Facility during normal business hours to carry out the work of this study, and to direct Owner's employees and contractors to cooperate with [Implementer] in the conduct of this study.
6. **Confidentiality.** Not to use the names or identifying characteristics of [Implementer] for any advertising, sales promotion or publicity or public disclosure of any kind without prior written approval by [Implementer].

#### **BOTH PARTIES AGREE:**

7. **Incidental and Consequential Damages:** NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES.
8. **Term of Agreement.** The term of this Agreement is from \_\_\_\_ to \_\_\_\_.

9. **Ownership of Information.** Implementer may provide the Owner with information about its findings regarding this Project, but Implementer shall have all ownership rights, including exclusive copyright ownership, in all data, reports, research results, summaries, information, or other written, recorded, photographic or visual materials (hereinafter "Information") produced and collected during the term of this agreement.
10. **If Tenant.** If the Facility is under lease, the Owner's tenant who controls the Facility, by executing this agreement, assumes the rights and obligations of the Owner hereunder.

**AGREED AND ACCEPTED:**

**IMPLEMENTER**

**CUSTOMER**

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_

Email: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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**Office of the Mayor**  
City & County of San Francisco



**Gavin Newsom**

**TO:** Angela Calvillo, Clerk of the Board of Supervisors  
**FROM:** Mayor Gavin Newsom  
**RE:** Resolution for the Department of the Environment to enter into a contract for up to \$11.5 million with PG&E to Implement SF Energy Watch  
**DATE:** November 24, 2009

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Dear Madame Clerk:

Attached for introduction to the Board of Supervisors is a resolution for the Department of the Environment to enter into a new contract with PG&E for up to \$11,540,000 to implement an Energy Use and Demand Reduction through the San Francisco Energy Watch Program. I request that this item be scheduled in Budget and Finance.

Should you have any questions, please contact Starr Terrell (415) 554-5262.