City of FRESNO **REPORT TO THE CITY COUNCIL**

AGENDA ITEM NO. 9:15am F
COUNCIL MEETING: 01/14/2010
APPROVED BY
DEPARTMENT DIRECTOR
CITY MANAGER

January 14, 2010

FROM: JOHN M. DUGAN, Director
Planning and Development Department

THROUGH: KEITH BERGTHOLD, Assistant Director
Planning and Development Department

BY: JOSEPH W. OLDHAM, Sustainability Manager
Sustainable Fresno Division, Planning and Development Department

SUBJECT: AUTHORIZE THE PLANNING AND DEVELOPMENT DIRECTOR TO ENTER INTO A SERVICE PROVIDER AGREEMENT WITH THE PACIFIC GAS AND ELECTRIC COMPANY TO RECEIVE $360,000 TO ADMINISTER THE LOCAL GOVERNMENT PARTNERSHIP PROGRAM WITHIN THE CITY OF FRESNO

RECOMMENDATIONS

Staff recommends that the City Council authorize the Planning and Development Director to enter into a service provider agreement with the Pacific Gas and Electric Company (PG&E) to receive $360,000 to administer the Local Government Partnership Program within the City of Fresno.

EXECUTIVE SUMMARY

The Sustainable Fresno Division of the Planning and Development Department has been working with PG&E on promotion and coordination of energy efficiency programs within the City of Fresno since the division was formed in July, 2009. One of these programs has been the Local Government Partnership (LGP) Program, locally referred to as Fresno Energy Watch, which provides free energy efficiency lighting upgrades to small businesses, multi-family housing facilities, and municipal buildings. This state-wide program has previously been administered directly by PG&E, with the City of Fresno providing advice and input as to potential local project locations. Following a decision by the California Public Utilities Commission (CPUC) in 2008, PG&E is now required to have local government agencies administer the program starting in 2010. PG&E is proposing to provide $360,000 in funding for the Sustainable Fresno Division to provide administration of the Local Government Partnership Program starting January 2010 through December 2012. The Sustainable Fresno Division will provide city-wide administration of the LGP program, marketing, and coordination with other energy efficiency programs being developed by the City of Fresno. Funding will be approximately $120,000 per year for the term of the agreement and pay for 1.25 positions within the division plus marketing and outreach costs.

The proposed agreement between the City of Fresno and the Pacific Gas and Electric Company has been reviewed by the City Attorney's Office and Risk Management Division. The current agreement contains indemnification language that poses some potential risk to the City of Fresno, however, after extensive review and analysis by city staff, this risk is considered acceptable considering the annual financial benefit of over $1,000,000 to the community from this program.

Presented to City Council
Date 1/14/10
Item approved

Staff recommends that the City Council authorize the Planning and Development Director to enter into a service provider agreement with the Pacific Gas and Electric Company (PG&E) to receive $360,000 to administer the Local Government Partnership Program within the City of Fresno.

BACKGROUND

The Sustainable Fresno Division of the Planning and Development Department has been working with PG&E on promotion and coordination of energy efficiency programs within the City of Fresno since the division was formed in July, 2009. One of these programs has been the Local Government Partnership (LGP) Program, locally referred to as Fresno Energy Watch, which provides free energy efficiency lighting upgrades to small businesses, multi-family housing facilities, and municipal buildings. This state-wide program has previously been locally administered directly by PG&E, with the City of Fresno providing advice and input as to potential project locations. During 2009, the Fresno Local Government Partnership Program performed upgrades on over 600 small businesses and municipal buildings and saved over 7,700,000 kwh of electricity and 4,200 therms of natural gas resulting in $1,080,500 annual savings for the citizens of Fresno with a reduction of 1,838 tons of greenhouse gases.

Following a decision by the California Public Utilities Commission (CPUC) in 2008, PG&E is required to have local government agencies administer the program starting in 2010. PG&E is proposing to provide $360,000 in funding for the Sustainable Fresno Division to provide administration of the Local Government Partnership Program starting January 2010 and continuing to December 2012. The Sustainable Fresno Division will provide city-wide administration of the LGP program, marketing, and coordination with other energy efficiency programs being developed by the City of Fresno. Funding will be approximately $120,000 per year for the term of the agreement and pay for 1.25 positions within the division plus marketing and outreach costs.

The proposed agreement between the City of Fresno and the Pacific Gas and Electric Company has been reviewed by the City Attorney's Office and Risk Management Division. The current agreement contains indemnification language that poses some potential risk to the City of Fresno. The analysis of that risk is as follows:

General Conditions Section 28.1 of the agreement contains non-city standard indemnification language. It provides City will indemnify and defend PG&E. In agreeing to indemnify a private party, the City waives its statutory immunities. PG&E has agreed to language which was crafted in an effort to preserve City's statutory immunities, but the language has not been tested by the courts. However, because the work performed under this agreement is only administrative in nature and staff will not be actually installing equipment, the risk of loss is considered extremely remote.

General Conditions Section 28.2 of the agreement states that hazardous waste spillage or release is covered under the 28.1 indemnification provision. However, since the work performed under the agreement is only administrative in nature and will not ever involve hazardous waste, this risk is non-existent.

In conclusion, after detailed review by city staff, the risk associated with this agreement is considered acceptable considering the annual financial benefit to the community from this program.

Staff recommends that the City Council authorize the Planning and Development Director to enter into a service provider agreement with the Pacific Gas and Electric Company (PG&E) to receive $360,000 to administer the Local Government Partnership Program within the City of Fresno.

FISCAL IMPACT

None.

1/14/10
9:15a F

Contract – Long Form

Contract (Long Form)

MSA No. 4400004295

This is a Contract between the below named Local Government Partner, the City of Fresno, Sustainable Fresno Division, and Pacific Gas and Electric Company ("PG&E"), a California corporation with its headquarters located at 77 Beale Street, San Francisco, California 94105.

Contractor's Legal Name:	City of Fresno, Sustainable Fresno Division	**PG&E Contract No. 4400004295**
Contractor's Address:	2600 Fresno St., Rm. 3065 Fresno, CA 93721	**This Contract consists of 28 pages.** (page number includes attachments)

Project Name: CEE Local Government Partnership

Job Location: Fresno County

WORK: This master service agreement (MSA) is exclusive to PG&E's Customer Energy Efficiency (CEE) Local Government Partnership (LGP) programs.

This contract with the City of Fresno, a local government partner (LGP), is to perform work as outlined in each scope of work (SOW) attached to each contract work authorization (CWA) issued in reference to this agreement and in accordance with the attached General Conditions (attachment 1), and the approved billing rates (attachment 2) for work billed on time and materials (T&M) basis.

The total amount of this Contract and PG&E's total obligation for all Work provided hereunder, including authorized reimbursable expenses, shall be the cumulative price of all duly-signed Contract Work Authorizations (CWAs) issued hereunder.

This Contract does not guarantee any Work nor is there any guarantee as to any volume or duration of Work.

ATTACHMENTS: Each of the following documents is attached to this Contract and incorporated herein by this reference:

Attachment 1: General Conditions and Exhibits, Pages 3-27

Attachment 2: Approved Billing Rate, Page 28

CONTRACT TERM:	This Contract is effective upon signature by both parties and expires on 3/31/2013.
COMPLETION:	Contractor shall commence performance hereof when directed to do so by PG&E. Work shall be completed by the completion date of 3/31/2013. Time is of the essence.
INSURANCE:	Contractor shall maintain insurance in accordance with Section 30.0 of the General Conditions.
TERMS OF PAYMENT:	In accordance with Section 6.0 of the General Conditions.

TOTAL: The total amount of this Contract and PG&E's total obligation for all Work provided hereunder, including authorized reimbursable expenses, shall be the cumulative price of all duly-signed Contract Work Authorizations (CWAs) issued hereunder.

THE PARTIES, BY SIGNATURE OF THEIR AUTHORIZED REPRESENTATIVES, HEREBY AGREE TO THE TERMS OF THIS CONTRACT.

PACIFIC GAS AND ELECTRIC COMPANY		CONTRACTOR: CITY OF FRESNO, SUSTAINABLE FRESNO DIVISION	
Signature		**Signature**	
Name	Jeff Ariz	**Name**	John M. Dugan
Title	Portfolio Manager	**Title**	Director of Planning & Develop.
Date	2/25/10	**Date**	2/11/10

ATTEST:
REBECCA E. KLISCH
CITY CLERK
By Cindy Bruer 3/30/10
Deputy

Sourcing

62-4073 (12-1-08)

APPROVED AS TO FORM
DEPUTY CITY ATTORNEY
3-10-10

ADMINISTRATION			
PG&E Negotiator	Steve Newvine, Program Manager	**Contractor Representative**	Joseph W. Oldham, Interim Sustainability Manager
Phone	209-384-4918	**Phone**	559-621-8049
Email	SXNS@pge.com	**Email**	Joseph.oldham@fresno.gov

Accounting Reference	TBD	
PG&E Work Supervisor:	Maril Pitcock, Manager, Statewide and Local Government	Phone: 415-973-9944
INVOICE INSTRUCTIONS: Contractor shall send invoices for each payment when due, showing the Contract number, to: PACIFIC GAS AND ELECTRIC COMPANY	**Send ORIGINAL Invoice to:**	PG&E Accounts Payable* PO Box 7760 San Francisco, CA 94120-7760
	Send COPY of Invoice to:	Steve Newvine, Program Manager Pacific Gas and Electric Company P. O. Box 770000, N6G San Francisco, CA 94177
	For information regarding invoice status, call PG&E's Paid Help Line at (800) 756-PAID (7243) or go to AP Web Reporting site at www.pge.com/actpay. ***Note**: Contractors using the XIGN System do not need to mail a copy of the invoice to PG&E.	

INTERNAL PG&E USE ONLY		
Distribution Date		
Distribution of Copies	☐ Document Services (Signed Original Copy) Mail Code N5D 245 MARKET ST., SAN FRANCISCO	☐ Contractor (Signed Original Copy)
	☐ Work Supervisor	☐ Manager
	☐ Invoice Approver	☐ Supervisor
	☐ V.P.	☐ Sourcing/ Purchasing
	☐ Director	☐ Law

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EXHIBIT 4 Example of Contract Work Authorization Document

1.0 DEFINITIONS

1.1 "Change Order": A revision or modification to the Contract reflected on a PG&E Field Order form or a PG&E Change Order form.

1.2 "Local Government Partnership (LGP)" or "Contractor": Party or parties entering into this Contract with PG&E for the Work.

1.3 "Contract": This agreement between PG&E and LGP, including the Specification and appendices, together with any other material specifically incorporated therein.

1.4 "Party" or "Parties": PG&E or LGP or both.

1.5 "PG&E": Pacific Gas and Electric Company acting through its authorized representative(s).

1.6 "Specification": PG&E's specification which includes the specific conditions, these general conditions, and any addenda to these.

1.7 "Subcontract": An agreement between LGP and Subcontractor or between Subcontractors at any level for a portion of the Work under this Contract.

1.8 "Subcontractor": Party or parties entering into a Subcontract with LGP or another Subcontractor to perform a portion of the Work covered by the Contract.

1.9 "Work": All services (including but not limited to professional, engineering, analytical and other consulting services), labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by LGP under this Contract.

2.0 INDEPENDENT CONTRACTOR

In assuming and performing the obligations of this Contract, LGP is an independent contractor and shall not be eligible for any benefits which PG&E may provide its employees, except as expressly provided for in this Contract. All persons, if any, hired by LGP shall be employees or Subcontractors of LGP and shall not be construed as employees or agents of PG&E in any respect.

3.0 SUBCONTRACTS

LGP shall not enter into Subcontracts without the prior written approval of PG&E. PG&E's approval of any Subcontract shall not relieve LGP of its obligations to PG&E under this Contract. The provisions and obligations of this Contract shall apply to any Subcontract and LGP 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.

4.0 CONFLICT OF INTEREST/BUSINESS ETHICS

4.1 REASONABLE CARE: LGP shall exercise reasonable care and diligence to prevent any actions or conditions which could result in a conflict with PG&E's interest.

4.2 OTHER EMPLOYMENT: During the term of this Contract, LGP or its employees will not accept any employment or engage in any work which creates a conflict of interest with PG&E or in any way compromises the Work to be performed under this Contract.

4.3 GIFTS: LGP or its employees shall not offer or cause to be offered gifts, entertainment, payments, loans and/or other services, benefits or considerations of more than a nominal value to PG&E's employees, their families, vendors, Subcontractors and other third parties.

4.4 ACCURATE DOCUMENTATION: All financial statements, reports, billings, and other documents rendered shall properly reflect the facts about all activities and transactions handled for the account of PG&E.

4.5 NOTIFICATION: The LGP shall immediately notify PG&E of any and all violations of this clause upon becoming aware of such violation.

5.0 AVAILABILITY OF INFORMATION

5.1 ACCESS: PG&E's duly authorized representatives shall have, during the term of the Contract and for seven (7) years thereafter, access at all reasonable times to all of the LGP's and its Subcontractors' personnel, accounts and records of all description, including but not limited to computer files, pertaining to the Contract to verify or review the quantity, quality, work program and progress of the Work, reimbursable costs, amounts claimed by the LGP, estimates of cost for fixed rates including those applicable to proposed changes, and for any other reasonable purposes including any and all records of the LGP for the purpose of verifying compliance with the Conflict of Interest/Business Ethics provision (Section 4) included in this Contract.

5.2 APPLICABILITY: This Section 5 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 LGP's records pertaining to all PG&E contracts including the lump-sum 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 or cost which are intended to be covered by lump-sum or fixed rates, etc., provided herein, supplement hereto or in such other agreements.

5.3 ACCOUNTING: The LGP'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.

5.4 TIME PERIOD: The LGP and its Subcontractors shall preserve all such accounts and records for a period of seven (7) years after the term of the Contract. PG&E's duly authorized representatives shall have the right to reproduce any such accounts and records.

5.5 ADJUSTMENTS: LGP, subject to section 37. of this agreement, shall promptly adjust any inaccuracy in the final billings.

5.6 SUBCONTRACTORS: The LGP shall include the necessary provisions in its Subcontracts to ensure that its Subcontractors comply with this Section 5.

6.0 BILLING AND PAYMENT

6.1 BILLING AND PAYMENT FOR LUMP SUM WORK. The terms of this Paragraph 6.1 shall apply to all Work performed on a lump sum basis.

6.1.1 INVOICE SUBMITTAL INSTRUCTIONS: LGP shall submit a monthly invoice to PG&E for compensation earned in the preceding calendar month. LGP shall submit invoices to PG&E in accordance with the requirements of this Paragraph 6.1 and with the instructions printed in the Contract or Contract Change Order.

The LGP shall include the Contract number, and if applicable the Contract Work Authorization number, on the invoice.

6.1.2 INVOICE DEFICIENCIES: Should PG&E determine that LGP's invoice does not meet the invoicing requirements of this Contract, PG&E will notify LGP of the deficiencies or return the invoice to LGP with noted deficiencies. LGP shall provide to PG&E such documents or information correcting such deficiencies, or for invoices returned to LGP, LGP shall resubmit a corrected invoice.

6.1.3 PG&E PAYMENT: Payment by PG&E to LGP for Work performed on a lump sum basis will be monthly, in the full amount of the cost of the Work performed less any negotiated percentage withholding, computed in accordance with the terms of the Contract, and satisfactorily completed during each month. All payments will be made, subject to PG&E approval, within thirty (30) days after receipt of a correct invoice. Payment of the balance of the amount will occur at the end of the Contract after all Work is satisfactorily completed.

6.1.4 FINAL INVOICE: The final invoice shall be marked "FINAL" and must be received by PG&E within sixty (60) calendar days after completion of the Work. PG&E will not be liable for payment of any late invoices that are received by PG&E beyond the 60 days.

6.1.5 BILLING RATES AND CONFLICTS: LGP's lump sum price(s) stated in the Contract fee schedule shall not change during the term of this Contract without prior written approval by PG&E. The lump sum price(s) shall be inclusive of all LGP's overhead costs, administrative and general fees, and profit. To the extent such lump sum price(s), or any invoice or other billing instrument as provided for in this Section 6 contains terms and conditions which are in addition to or in conflict with the terms and conditions in this Contract, whether Specific or General, those terms and conditions in the fee schedule, invoice, or other billing instrument shall be null and void.

6.2 BILLING AND PAYMENT FOR TIME AND MATERIALS AND UNIT PRICE WORK: The terms of this Paragraph 6.2 shall apply to all Work performed on a time and materials or unit price basis.

6.2.1 INVOICE SUBMITTAL INSTRUCTIONS: LGP shall submit invoices to PG&E in accordance with the requirements of this Paragraph 6.2 and with the instructions printed in the Contract or Contract Change Order. The LGP shall include the Contract number, and if applicable the Contract Work Authorization number, on the invoice.

6.2.2 MONTHLY INVOICE: LGP shall submit a monthly invoice to PG&E for compensation earned and reimbursable expenses incurred in the preceding calendar month. Each invoice shall be broken down by Contract tasks; for each task the invoice shall include the following information:

6.2.2.1 Status

Task description.
Estimated cost to complete.
Total cost incurred to date.
Percentage of Work completed and date completed.

6.2.2.2 Labor

Employee name.
Employee labor classification.
Employee salary rate.
Number of hours spent.
Billing rate.

6.2.2.3 Reimbursable Expenses

Unit cost and quantity of each item of expense.

6.2.3 BILLING RATES AND CONFLICTS: LGP's billing rates or fees stated in the Contract fee schedule shall not change during the term of this Contract without prior written approval by PG&E. These billing rates and fees shall be inclusive of all LGP's overhead costs, administrative and general fees, and profit. To the extent such fee schedule, or any invoice or other billing instrument as provided for in this Section 6 contains terms and conditions which are in addition to or in conflict with the terms and conditions in this Contract, whether Specific or General, those terms and conditions in the fee schedule, invoice, or other billing instrument shall be null and void.

6.2.3.1 Overtime hours shall be billed at straight-time rates, unless otherwise approved by PG&E prior to the use of overtime, and limited to those hours for which LGP's employee is actually compensated. If applicable, LGP's overhead cost shall not be applied to the premium portion of the overtime cost.

6.2.3.2 Individuals other than employees of LGP (nonemployees) retained by LGP, such as Subcontractors, outside LGP's, or agency personnel, shall not be billed as LGP's employees and shall be shown separately on the invoice. Such nonemployees working in LGP's established office under LGP's direct supervision shall be billed to PG&E at the cost charged to LGP times 1.05. All other nonemployees shall be billed at LGP's direct costs.

6.2.4 EXPENSES: All reimbursable expenses shall be reasonable, ordinary, and necessary and shall be billed at cost. All reimbursable expenses other than those listed in this paragraph 6.2.4 shall be authorized in writing by PG&E's authorized representative prior to expenditure by the LGP; any expenses not so approved by PG&E shall not be reimbursed.

6.2.4.1 Overhead costs will not be reimbursed as expenses. Miscellaneous costs, such as routine telephone communications, routine copying, electronic mail, facsimile transmissions, computer time and use of in-house technical software are considered to be part of LGP's overhead costs.

6.2.4.2 LGP shall provide Subcontractor invoices for any LGP invoice that includes Subcontractor costs.

6.2.5 TRAVEL TIME AND COSTS: All air travel costs within or outside of the United States will be reimbursed only on a coach fare basis and all rental car costs will be reimbursed only on a subcompact rate basis. Travel time to and from the Work site shall be at LGP's expense.

6.2.6 MILEAGE AND USE OF PERSONAL CAR: In the event LGP uses its personal car in the performance of Work under the Contract and such use is included as a reimbursable expense, normal commuting such as trips from home to first

business stop and from the last business stop to home represents personal use of car and shall not be reimbursed. All other reimbursable mileage shall be at the current IRS rate.

6.2.7 SUPPORTING DOCUMENTATION: For each expense item over $100, supporting data and documentation shall be furnished with the invoice. Copies of detailed expense reports to support travel costs shall be attached to the invoice. Although travel receipts need not be attached, LGP shall retain them for the term of the audit period.

6.2.7.1 Each invoice shall be assembled such that attached supporting documentation shall be placed in the order listed in the invoice, and each item of expense chargeable to PG&E shall be highlighted or clearly delineated.

6.2.8 INVOICE DEFICIENCIES: Should PG&E determine that LGP's invoice does not meet the invoicing requirements of this Contract; PG&E will notify LGP of the deficiencies or return the invoice to LGP with noted deficiencies. LGP shall provide to PG&E such documents or information correcting such deficiencies, or for invoices returned to LGP, LGP shall resubmit a corrected invoice.

6.2.9 FINAL INVOICE: The final invoice shall be marked "FINAL" and must be received by PG&E within sixty (60) calendar days after completion of the Work. PG&E will not be liable for payment of any late invoices that are received by PG&E beyond the 60 days.

6.2.10 UNIT PRICE BASIS: When invoices include Work performed on a unit price basis, LGP shall attach to the invoice a list stating the unit price item numbers, unit prices, quantities, dollar amounts and other information as required to identify the Work.

6.2.11 PG&E PAYMENT: Payment by PG&E to LGP for Work performed on a time and materials or unit price basis will be monthly, in the full amount due for Work performed less any negotiated percentage withholding, computed in accordance with the terms of the Contract, and satisfactorily completed during each month including reimbursable expenses, if any. All payments will be made, subject to PG&E approval, within thirty (30) days after receipt of a correct, itemized invoice. Payment of any remaining balance of the amount due will occur at the end of the Contract after all Work is satisfactorily completed.

7.0 PRIOR WORK

Services performed by LGP 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.

8.0 NO GUARANTEE OF WORK

THIS IS NOT AN EXCLUSIVE CONTRACT. THIS CONTRACT DOES NOT GUARANTEE THE LGP ANY WORK NOR IS THERE ANY GUARANTEE AS TO ANY VOLUME OR DURATION OF WORK.

9.0 ADDITIONAL WORK OR CHANGES IN WORK

9.1 PROCEDURE FOR ADDITIONAL WORK: BEFORE PROCEEDING WITH ANY WORK INVOLVING POSSIBLE CLAIMS FOR EXTRA COMPENSATION NOT SPECIFIED IN THE CONTRACT, LGP SHALL SUBMIT IN WRITING TO PG&E A DETAILED ESTIMATE OF THE COST FOR SUCH WORK. LGP shall provide PG&E with a detailed breakdown and

estimated cost of such anticipated contract work, including extensions and Change Orders, as follows:

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

9.1.2 Estimated cost of each task.

9.1.3 Expected date of completion of each task.

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

9.3 PG&E CHANGES TO WORK: PG&E reserves the right 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 before the Work is begun.

10.0 AMENDMENTS

NO MODIFICATION OR CHANGE TO THIS CONTRACT SHALL BE BINDING OR EFFECTIVE UNLESS EXPRESSLY SET FORTH IN WRITING BY CHANGE ORDER AND SIGNED BY PG&E'S REPRESENTATIVE AUTHORIZED TO EXECUTE THE CONTRACT.

11.0 ASSIGNMENT

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.

12.0 REPLACEMENT OF PERSONNEL

12.1 BY LGP: LGP acknowledges that in the event that the individuals who are initially assigned by LGP to perform services under this Contract are removed, replaced or reassigned by LGP, such removal, replacement, or reassignment may result in serious harm and costs to PG&E. LGP agrees not to remove, replace or reassign such individuals without the approval of PG&E. Such approval shall not be unreasonably withheld or delayed. LGP will make reasonable efforts to maintain continuity in its staffing and will provide PG&E with ample notification if any such changes are made. LGP agrees not to charge PG&E for the time spent in familiarizing replacement personnel with the Work.

12.2 BY PG&E: If PG&E finds LGP's employee to be unsatisfactory, LGP shall replace said employee immediately. This provision does not in any way require, endorse or approve (expressed or implied) the termination of employment by the LGP of any employee replaced under the terms of this paragraph.

13.0 SAFETY PRECAUTIONS AND PROTECTION OF PROPERTY

LGP shall plan and conduct its Work to safeguard persons and property from injury. LGP shall direct performance of Work in compliance with reasonable safety and work practices and applicable federal, state and local laws, rules and regulations, including but not limited to, "Occupational Safety and Health Standards" promulgated by the U.S. Secretary of Labor and the

California Division of Occupational Safety and Health. PG&E may designate safety precautions in addition to those in use or proposed by LGP. PG&E reserves the right to inspect the Work and to halt 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 LGP follow said practices and applicable laws, rules and regulations, and any special instructions given by PG&E nor the adherence thereto by LGP shall relieve LGP of the sole responsibility to maintain safe and efficient working conditions.

14.0 DRUG AND ALCOHOL ABUSE POLICY

14.1 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 LGP and Subcontractor personnel.

14.2 COVERAGE: This policy applies to the personnel of all PG&E LGP's and Subcontractors performing any Work or services at PG&E offices and/or any other PG&E facilities.

14.3 POLICY:

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

14.3.1.1 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

14.3.1.2 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, unless the criminal record was later expunged or sealed by a court order.

14.3.2 The following activities are prohibited at all facilities owned or leased by PG&E:

14.3.2.1 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;

14.3.2.2 Possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

14.3.3 Where reasonable cause exists that paragraph 14.3.2 of this policy has been violated, the LGP or Subcontractor must inform PG&E. The LGP or Subcontractor is also expected to take any or all of the following actions to the fullest extent they are permitted under governing collective bargaining agreements and /or its applicable security and human resources policies.

14.3.3.1 Search the individual, his or her vehicle, locker, storage area, and personal effects;

14.3.3.2 Require the individual to undergo a medical examination to determine their fitness for duty. Such examination shall include obtaining a urine

and/or blood specimen for drug or alcohol analysis unless the examining physician deems such tests to be inappropriate;

14.3.3.3 Take any other appropriate action to determine if there has been a violation of paragraph 14.3.2.

14.3.3.4 Refusal to comply with a request made under paragraph 14.3.3 shall be grounds for denying access to, or immediate removal from, any PG&E facility.

14.3.4 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.

15.0 LAWFUL DISPOSAL OF SAMPLED AND OTHER WASTE

If the scope of Work under this Contract requires LGP to perform hazardous waste site investigations, the following provisions shall apply:

15.1 PG&E will be responsible for disposal of onsite samples. Charges for disposal of samples taken offsite for testing are included in the LGP's proposed rates.

15.2 LGP shall lawfully dispose of all test samples after completion of the required tests, along with any residue or byproducts of the testing process. LGP shall comply with all of the existing federal, state and local laws, rules, regulations, and/or ordinances applicable to the services to be performed, including but not limited to, to the extent applicable, the Code of Federal Regulations, Title 40, Part 260 et seq. and the California Health and Safety Code, Section 25, 100 et seq., and the Title 22, California Code of Regulations, Section 66,000 et seq.

16.0 OWNERSHIP OF DELIVERABLES

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 this Contract. LGP shall retain no ownership, interest, or title in them except as may otherwise be provided in the Contract.

17.0 PROPRIETARY RIGHTS

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 16, "Ownership of Deliverables" (collectively, the "Developments"), conceived, developed, implemented, or produced by LGP in the performance of this Contract, and LGP shall retain no ownership, interest or title in or to them except as otherwise provided in this Contract. LGP 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 ownership, including the execution of documents deemed necessary by PG&E.

18.0 USE AND REPRODUCTION RIGHTS

If and to the extent that LGP retains any preexisting rights in any materials furnished hereunder, including Developments, LGP hereby grants to PG&E the irrevocable, perpetual, non-exclusive, worldwide, royalty free right and license to (i) make, use, execute, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such preexisting rights and derivative works thereof in connection with PG&E's business and (ii) authorize others to do any or all of the foregoing in connection with PG&E's business. Any claims of LGP to proprietary rights in materials furnished hereunder must be expressly set forth in this Contract or shall have been previously disclosed to PG&E in writing.

19.0 INFRINGEMENT PROTECTION

LGP represents to PG&E 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. LGP agrees to indemnify and hold PG&E, its parent company, subsidiaries and/or affiliates, 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 PG&E, its parent company, subsidiaries and/or affiliates, alleging any such infringement or violation. In addition to the foregoing, if there is such a suit, demand or claim, LGP agrees, as soon as possible, 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; provided, however that the replaced or modified material shall be equal to that contracted for hereunder and satisfactory to PG&E. LGP 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 PG&E in defense against such suit.

20.0 COPYRIGHT REGISTRATION

Notice of PG&E copyright ownership shall be placed by LGP on all reports, information or instructional manuals, computer programs or other written, recorded, photographic or visual materials or other deliverables to which PG&E has the right of such ownership as provided in this Contract. Such notice shall be placed on the materials in a manner and location as to give reasonable notice of the claim of copyright, 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.

21.0 ROYALTIES AND LICENSE FEES

Royalties, license fees or other charges for patents, copyrights and other intellectual property for designs, processes, technology, published or unpublished data, information or technical materials including, but not limited to, manuals, computer programs, or other deliverables furnished by LGP, or for processes or methods employed by LGP in performing the services, shall be included in the Contract price.

22.0 DELIVERY AND RETENTION OF RECORDS

To the extent PG&E does not otherwise specifically request delivery of records or results, LGP agrees to retain all records and results of Work performed under this Contract for a period of not less than two years from the date the Work is accepted by PG&E. At PG&E's request LGP will deliver a copy of any or all original field notes, investigative notes, tests, photographs, records, calculations, summaries, reports, and records produced and collected in the course of the Work performed under this Contract.

23.0 PUBLIC RELEASE OF RESULTS

LGP, except as required by law or court order, agrees not to release any results of the Work without first providing PG&E with the material sought to be released and a description of the publication for PG&E's prior approval. LGP further agrees that no release shall present any material findings not reasonably inferable from the data. Any public release shall acknowledge PG&E's sponsorship of the Work.

24.0 LGP'S USE OF PG&E PROPERTY

All records, reports, computer programs, written procedures and similar materials, documents or data, in whatever form, provided by PG&E for LGP's use in the performance of services under this Contract shall remain the confidential property of PG&E and shall be returned to PG&E immediately upon completion of LGP's use for the performance of the Work or earlier upon the request of PG&E, subject to disclosure where required by law or court order.

25.0 CONFIDENTIALITY

In the course of performing the services under this Contract, LGP may have access to confidential customer, commercial or personal information, matters and practices concerning, but not limited to, technology, ratemaking, personnel, business, marketing or manufacturing processes or products, and customer energy usage and billing data, which are owned by PG&E, its parent company, subsidiaries, affiliates, third parties, or members of the public, and in the custody of PG&E or those third parties. LGP agrees not to disclose any such confidential information or otherwise make it available to any other person, including any affiliate of PG&E that produces energy or energy-related products or services, without the prior written approval of PG&E, subject to disclosure where required by law or court order.

26.0 PUBLIC TESTIMONY

It is further agreed between the Parties that, if requested by PG&E, LGP shall provide testimony before any federal, state or local court, regulatory body or any other public agency to substantiate any Work performed or data, reports, or materials supplied to PG&E. Reasonable fees for such testimony will be negotiated at that time.

27.0 WARRANTY

LGP 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.

28.0 INDEMNIFICATION

28.1 LGP 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, damages, costs, expenses, and liability (legal, contractual, or otherwise), which arise from:

(i) injury to or death of persons, including but not limited to employees of PG&E or LGP;

(ii) injury to property or other interests of PG&E, LGP, or any third party;

(iii) violation of local, state, or federal common law, statute or regulation, including but not limited to environmental laws or regulations; or

(iv) strict liability imposed by any law or regulation;

so long as such injury, violation, or strict liability (as set forth in (i) - (iv) above) arises from LGP's performance of, or failure to perform, this Contract, however caused, whether active or passive, excepting only such loss, damage, cost, expense, liability, strict liability, or violation of law or regulation that is caused by the negligence or willful misconduct of PG&E, its officers, managers, or employees; provided nothing herein shall constitute a waiver by City of governmental immunities, including California Government Code section 810 et seq. PG&E agrees that City's duty to indemnify, hold harmless and defend PG&E shall in no way act to abrogate or waive any immunities available to City under the Tort Claims Act of the State of California.

28.2 To the extent applicable, LGP acknowledges that any claims, demands, losses, damages, costs, expenses, and liability that arise from or are in any way connected with the release or spill of any legally designated hazardous material or waste and arise from or is in any way connected with the Work performed under this Contract, are expressly within the scope of this indemnity. Likewise, the costs, expenses, and legal liability for environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remedial work, penalties, and fines arising from strict liability or the violation of any local, state, or federal law or regulation, attorney's fees, disbursements, and other response costs incurred as a result of such releases or spills are expressly within the scope of this indemnity.

28.3 LGP shall, on PG&E's request, defend any action, claim, or suit asserting a claim covered by this indemnity. LGP shall pay all costs and expenses that may be incurred by PG&E in enforcing this indemnity, including reasonable attorney's fees.

28.4 To the extent necessary, each Party was represented by counsel in the negotiation and execution of this Contract.

29.0 INCIDENTAL AND CONSEQUENTIAL DAMAGES

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTIAL, SPECIAL OR CONSEQUENTIAL DAMAGES.

30.0 INSURANCE REQUIREMENTS

LGP shall maintain the following insurance, or self insurance, coverage. LGP is also responsible for its Subcontractors maintaining sufficient limits of the appropriate insurance coverage.

30.1 Workers' Compensation and Employers' Liability

30.1.1 Workers' Compensation insurance or self-insurance indicating compliance with any applicable labor codes, acts, laws or statutes, state or federal, where LGP performs Work.

30.1.2 Employers' Liability insurance shall not be less than $1,000,000 for injury or death each accident.

30.2 Commercial General Liability

30.2.1 Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage "occurrence" form, with no coverage deletions.

30.2.2 The limit shall not be less than $1,000,000 each occurrence/$2,000,000 aggregate for bodily injury, property damage and personal injury.

30.2.3 Coverage shall: a) By "Additional Insured" endorsement add as insureds PG&E, its affiliates, subsidiaries, and parent company, and PG&E's directors, officers, agents and employees with respect to liability arising out of or connected with the Work performed by or for the LGP. (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, agents and employees with respect to liability arising out of the work performed by or for the LGP are additional insureds under a blanket endorsement."; b) Be endorsed to specify that the LGP's insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute with it.

30.3 Business Auto

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

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

30.4 Professional Liability Insurance

30.4.1 Errors and Omissions Liability insurance appropriate to the LGP's profession. Coverage shall be for a professional error, act or omission arising out of the scope of services shown in the Contract.

30.4.2 The limit shall not be less than $1,000,000 each claim/$2,000,000 aggregate.

30.5 Additional Insurance Provisions

30.5.1 Before commencing performance of Work, LGP shall furnish PG&E with certificates of insurance and endorsements of all required insurance for LGP.

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

30.5.3 PG&E uses a third party vendor, Exigis, to confirm and collect insurance documents. Vendor and broker will be required to register as "service provider." Certificates of insurance and endorsements shall be signed and submitted by a person authorized by that insurer to bind coverage on its behalf, and submitted through the Exigis website at: https://prod1.exigis.com/pge Helpline: 1 (888) 280-0178

Certificate Holder:

Pacific Gas and Electric Company
c/o Exigis
https://prod1.exigis.com/pge

30.5.4 Intentionally removed

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

31.0 FORCE MAJEURE

Neither PG&E nor LGP shall be considered in default in the performance of its obligations under this Contract, except obligations to make payments hereunder for Work previously performed, to the extent that the performance of any such obligation is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of the affected Party. 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-delayed performance shall endeavor, to the extent reasonable, to remove the obstacles which preclude performance.

32.0 HAZARDOUS MATERIALS

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, LGP, its employee, agents, and Subcontractors may be exposed to chemicals on the Governor's list. LGP is responsible for notifying its employees, agents, and Subcontractors that Work performed hereunder may result in exposures to chemicals on the Governor's list.

33.0 TAX WITHHOLDING

LGP 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 LGP who perform services for PG&E. LGP shall indemnify and hold PG&E harmless, on an after-tax basis, for any liability incurred by PG&E as a result of LGP's failure to institute any such required withholding.

34.0 INJURY AND ILLNESS PREVENTION PROGRAM

In the performance of the Work under this Contract, LGP 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. LGP shall ensure that any Subcontractor hired by LGP to perform any portion of the Work under this Contract shall also have an effective Injury and Illness Prevention Program. If the LGP has any employees in California, even if those employees do not perform Work under this Contract, the attached Compliance Certificate (Exhibit 3) shall be executed by the person with the authority and responsibility for implementing and administering such Injury and Illness and Prevention Program.

35.0 COMPLIANCE WITH LAWS

35.1 LGP shall comply with all applicable federal, state and local laws, rules and regulations, and shall obtain all applicable licenses and permits for the conduct of its business and the performance of the Work called for in this Contract.

35.2 In accordance with Section 7912 of the California Public Utilities Code, Contractor agrees to report annually to PG&E the number of California residents employed by Contractor, calculated on a full-time or full-time equivalent basis, who are personally providing services to PG&E.

36.0 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 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.

37.0 DISPUTE RESOLUTION

37.1 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 LGP. 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.

37.2 CONFIDENTIALITY: All negotiations and any mediation conducted pursuant to this clause 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.

37.3 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.

37.4 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.

38.0 NON-WAIVER

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.

39.0 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 or arbitrator/mediator, PG&E and LGP 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.

40.0 CANCELLATION AND TERMINATION OF CONTRACT

40.1 CANCELLATION FOR CAUSE:

40.1.1 PG&E may, at its option, cancel or suspend this Contract for cause including, but not limited to, the following situations:

(1) the failure, refusal or inability of the LGP to perform the Work in accordance with this Contract for any reason (except as specified in Section 31, "Force Majeure"); or

(2) LGP 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 placed against LGP which, in PG&E's opinion, may interfere with the performance of the Work; or

(4) in PG&E's opinion, the Work will not be completed in the specified time and PG&E has requested LGP to take steps necessary to accomplish the required progress and completion, and LGP has failed to do so.

In addition PG&E may at its option and without prejudice to its other rights, take over and complete all or part of the Work using LGP's equipment and facilities at the worksite to perform all or part of the Contract.

40.1.2 PG&E will be the sole judge whether LGP is substantially performing Work and services in accordance with this Specification. LGP shall be liable for additional costs to PG&E arising from cancellation.

40.1.3 If the Contract is canceled, LGP shall vacate the worksite but not remove material, plant, or equipment without the approval of PG&E. In the event of such cancellation, PG&E shall pay LGP 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 LGP prior to PG&E's release of its final payment to LGP. LGP shall not enter into any agreements, commitments or Subcontracts which would incur significant cancellation costs without prior written approval of PG&E. Such written approval is a condition precedent to the payment of any cancellation charges by PG&E.

40.1.4 LABOR DISPUTE: In the event of a labor dispute or strike by LGP's or its Subcontractors' employees which threatens the progress or cost of Work, or PG&E's labor relations, or which disrupts PG&E's operations, or results in a secondary boycott at PG&E's facilities, PG&E reserves the right to restrict and/or require the additional hiring of LGP's employees, to suspend or discontinue the Work of the LGP or any Subcontractor, or cancel the Contract for cause. This paragraph shall be applicable whether or not any LGP or Subcontractor is directly involved in a labor dispute.

40.2 TERMINATION FOR PG&E'S REASONS: PG&E may suspend or terminate the Contract, without cause and upon written notice to LGP. LGP thereupon shall take whatever action with respect to performance of the Work as will tend to minimize its claim against PG&E. In the event of termination, PG&E shall be liable to LGP only for the compensation earned on the Work performed to the date of termination, plus costs reasonably incurred by LGP in terminating its operation. LGP 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 LGP prior to PG&E's release of its final payment to LGP.

41.0 INTEGRATION

This Contract constitutes the entire agreement and understanding between the Parties as to the subject matter of the Contract. It supersedes all prior or contemporaneous agreements, commitments, representations, writings, and discussions between LGP and PG&E, whether oral or written, and has been induced by no representations, statements or agreements other than those

expressed herein. Neither LGP nor PG&E shall be bound by any prior or contemporaneous obligations, conditions, warranties or representations with respect to the subject matter of this Contract.

42.0 SURVIVAL

The provisions of this Contract which by their nature should survive expiration, cancellation or other termination of this Contract, including but not limited to provisions regarding warranty, indemnity, confidentiality and availability of information, shall survive such expiration, cancellation or other termination.

EXHIBIT 1

PG&E'S SUPPLIER DIVERSITY PURCHASING POLICY

CONTRACTOR AND SUBCONTRACTORS OF ALL TIERS MUST COMPLY WITH PG&E'S SUPPLIER DIVERSITY PURCHASING POLICY IN THE AWARD OF ALL 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 Work. [1]

1. The Contractor shall provide to each prospective Subcontractor a copy of this Exhibit.
2. Contractor shall provide a separate, signed Subcontracting Plan consisting of a specific list of Subcontractors that will participate in the performance of the Work and 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.
3. No later than the 15th of each month, Contractor shall submit its subcontracting spend with women, minority, and service disabled veteran owned suppliers direct payments to their diverse subcontractors using PG&E's electronic reporting system located at: https://www.pgesupplierdiversity.com/pge/login.asp
    a. To establish a user ID, Contractor shall submit a request via email to the following address: supplierdiversityteam@pge.com
4. In addition, for contracts exceeding $500,000 (or $1 million for construction contracts), the Contractor must comply with the Policy Regarding Utilization of Small Business Concerns and Small Disadvantaged Business Concerns, as described in Exhibit 1A. The Subcontracting Plan for these contracts must include provisions for implementing the terms prescribed in Exhibit 1A.
    a. 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.
    b. For all PG&E contracts, the Contractor shall act in accordance with the Subcontracting Plan in the performance of the Work and in the award of all Subcontracts.

Contractor's **supplier diversity subcontracting goal** for this Contract is **0%.** Contractor shall report its supplier diversity goal as Contractor's spend with verified WMDVBE Subcontractors on PG&E Work under this Contract.

[1] WMDVBEs must be verified pursuant to the procedures prescribed in Section 2 of CPUC General Order 156.

Pacific Gas and Electric Company

01-5873 (Rev 11/08)
Sourcing

List of Subcontractors and Disbursement Record

EXHIBIT 1-A

Prime Contractor/Supplier:	Name of Preparer:
PG&E Contract Number (if any):	Telephone: ( )
PG&E Project/Product:	E-Mail:
Contract Duration (Year): From: To:	Total Bid Value:

Name of Subcontractor (1)	WMDVBE Status Code* (2)	V** (3)	NV*** (4)	Address (5)	Description of Work (6)	Estimated Amount to be Paid to Subcontractors (7)

* Refer to Instructions/Codes/Definitions on back.
** V = Subcontractor is a verified WMDVBE.
*** NV = Subcontractor is not a verified a verified WMDVBE.

(8)	Estimated Total Amount to be Paid to All Verified WMDVBE Subcontractor(s):	
(9)	Total Bid Value:	
(10)	Estimated Percentage to be Paid to All Verified WMDVBE Subcontractor(s) (a÷b):	

Signature: _____ / Date

I hereby verify that the listed information is true and accurate to the best of my knowledge.

The successful bidder(s) will be expected to register and report all monthly subcontracting spending with verified WMDVBE subcontractors at www.pgesupplierdiversity.com for the duration of the contract.

STEP-BY-STEP INSTRUCTIONS

Complete column numbers 1-10 and return this form with your bid proposal (**Please attach copies of diverse Subcontractors certifications with your bid proposal**).

(1) Include the complete name of the subcontractor.
(2) Indicate the supplier's minority code (see definitions and codes below).
(3) Place a "V" in the box if the subcontractor is a ***verified*** WBE or MBE supplier by the CPUC Clearinghouse or a ***verified*** DVBE certified by the Department of General Services.
(4) Place a "NV" in the box if the subcontractor is ***not verified***.
(5) Include the address, city, state and zip of the subcontractor.
(6) Describe the work that the subcontractor will be performing.
(7) Indicated the estimated amount to be paid to each subcontractor for the duration of the contract.
(8) Indicate the estimated total amount to be paid to all ***verified*** subcontractors for the duration of the contract.
(9) Indicate the proposed bid value.
(10) Indicate the percentage of the bid value to be paid to all verified subcontractors. Divide the estimated dollars to be paid to all ***verified*** WMDVBE subcontractors by the total bid value.

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

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.

Minority Status:

001	African American Male	**008**	Hispanic American Female
002	African American Female	**009**	Caucasian Male
003	Asian Pacific American Male	**010**	Caucasian Female
004	Asian Pacific American Female	**011**	Multi- Status
005	Native American Male	**012**	Other Groups
006	Native American Female	**013**	Small Business Enterprise
007	Hispanic American Male	**014**	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) LGP hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient contract performance. LGP 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 LGP'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. LGP 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. LGP shall presume that socially and economically disadvantaged entities also include Indian Tribes and Native Hawaiian Organizations.

d) LGP 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.[2]

[2] 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 Sustainability Manager of
(Title/position)

City of Fresno (LGP), hereby certifies to PG&E as follows:
(name of LGP)

1. That LGP 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 LGP 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 LGP's Injury and Illness Prevention Program.

IN WITNESS WHEREOF, the undersigned has executed this Compliance

Certificate on 02/11/10.

Signature

Joseph W. Oldham
Print Name

Contract Work Authorization (CWA)

This Contract Work Authorization ("CWA") No. [enter #] is issued under and pursuant to the Blanket Agreement or Master Service Agreement No. [enter #] dated [enter Date] (the "MSA") between the below-named Contractor ("Contractor"), [enter Legal Title], and Pacific Gas and Electric Company ("PG&E"), a California corporation with its headquarters located at 77 Beale Street, San Francisco, California 94105. Contractor shall perform all Work under this CWA pursuant to and in accordance with the terms and conditions of the MSA.

Contractor's Legal Name: SAMPLE

Total Number of Pages: SAMPLE

Contractor's Address:

SAMPLE DOCUMENT

Project Name: [enter Name]

Job Location: [enter Location]

WORK: Contractor shall, at its own risk and expense, perform the Work described in this Contract Work Authorization and furnish all labor, equipment, and materials necessary to complete the Work as summarized below and as more fully described in Attachment 1, Scope of Work.

[enter Work Summary here]

SAMPLE

ATTACHMENTS: Each of the following documents are attached to this CWA and are incorporated herein by this reference:

Attachment 1: Scope of Work, [enter Pages # through #]

CWA TERM: This CWA is effective upon signature by both parties and expires on [enter Date]. Time is of the essence.

CWA COMPLETION: Contractor shall commence performance hereof when directed to do so by PG&E and Work shall be completed by the completion date of [enter Date].

CONSIDERATION: As full consideration for satisfactory performance of the Work under this CWA by Contractor, PG&E's total obligation to Contractor shall not exceed the following amount. This amount is inclusive of all taxes incurred in the performance of the Work. Any change to this amount shall only be authorized in writing by a PG&E CWA Change Order, fully executed by both PG&E and Contractor.

TOTAL:

SAMPLE DOCUMENT

THE PARTIES, BY SIGNATURE OF THEIR AUTHORIZED REPRESENTATIVES, HEREBY AGREE TO THE TERMS OF THIS CONTRACT WORK AUTHORIZATION.

PACIFIC GAS AND ELECTRIC COMPANY		CONTRACTOR: [enter FIRM NAME HERE]	
Signature		Signature	
Name	[enter Name]	Name	
Title	[enter Title]	Title	
Date		Date	

CWA No. [enter #]
Page 2 of [enter #]

ADMINISTRATION			
PG&E Negotiator	[enter Name]	**Contractor Represent**	
Phone	[enter #]	**Phone**	
Email	[enter Address]	**Email**	

Accounting Reference	[enter Account # if known or Delete]	
PG&E Work Supervisor:	[enter Name]	**Phone:** [enter #]
INVOICE INSTRUCTIONS: Contractor shall send invoices for each payment when due, showing the CWA number, to: PACIFIC GAS AND ELECTRIC COMPANY	**Send ORIGINAL Invoice to:**	PG&E Accounts Payable* PO Box 7760 San Francisco, CA 94120-7760
	Send COPY of Invoice to:	[Name] [Street Address/Mail Code] [City, State Zip Code]
	For information regarding invoice status, call PG&E's Paid Help Line at (800) 756-PAID (7243) or go to AP Web Reporting site at www.pge.com/actpay. *Note: Contractors using the XIGN System do not need to mail a copy of the invoice to PG&E.	

SAMPLE

INTERNAL PG&E USE ONLY		
Distribution Date		
Distribution of Copies:	☐ Document Services (Signed Original Copy) Mail Code N5D 245 MARKET ST., SAN FRANCISCO	☐ Contractor (Signed Original Copy)
	☐ Work Supervisor	☐ Manager
	☐ Invoice Approver	☐ Supervisor
	☐ V.P.	☐ Sourcing/ Purchasing
	☐ Director	☐ Law

SAMPLE DOCUMENT

LGP Approved Billing Rates for Labor
MSA 4400004295
02/01/2010

Organization	Position	Labor Classification	Billing Rates ($/Hr)
City of Fresno	Program Manager		$90.00
City of Fresno	Engineer / Q-A Inspector		$62.00
City of Fresno	Senior Account Clerk / Scheduler		$39.00

Contract Work Authorization (CWA) CWA No. 2500301768

This Contract Work Authorization ("CWA") No. 2500301768 is issued under and pursuant to the Blanket Agreement or Master Service Agreement No. 4400004295 dated 02/03/2010 (the "MSA") between the below-named Local Government Partner (LGP), City of Fresno, Sustainable Fresno Division, and Pacific Gas and Electric Company ("PG&E"), a California corporation with its headquarters located at 77 Beale Street, San Francisco, California 94105. Contractor shall perform all Work under this CWA pursuant to and in accordance with the terms and conditions of

Contractor's Legal Name:	City of Fresno, Sustainable Fresno Division	**Total Number of Pages: 77**
Contractor's Address:	2600 Fresno St., Rm. 3065 Fresno, CA 93721	

Project Name: Fresno Energy Watch

Job Location: Fresno County Area

WORK: LGP shall, at its own risk and expense, perform the Work described in this Contract Work Authorization and furnish all labor, equipment, and materials necessary to complete the Work as summarized below and as more fully described in Attachment 1, Specific Scope of Work.

This CWA is to implement PG&E's Energy Watch program (briefly described here) throughout Fresno County.

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 (each an "LGP") 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.

ATTACHMENTS: Each of the following documents are attached to this CWA and are incorporated herein by this reference:
Attachment 1: Scope of Work/Specific Condition, Pages 3-77

CWA TERM: This CWA is effective upon signature by both parties and expires on 2/28/2013. Time is of the essence.

CWA COMPLETION: Local Government Partner shall commence performance hereof when directed to do so by PG&E and Work shall be completed by the completion date of 2/28/2013.

CONSIDERATION: As full consideration for satisfactory performance of the Work under this CWA by LGP, PG&E's total obligation to LGP shall not exceed the following amount. This amount is inclusive of all taxes incurred in the performance of the Work. Any change to this amount shall only be authorized in writing by a PG&E CWA Change Order, fully executed by both PG&E and LGP.

TOTAL: $360,000

THE PARTIES, BY SIGNATURE OF THEIR AUTHORIZED REPRESENTATIVES, HEREBY AGREE TO THE TERMS OF THIS CONTRACT WORK AUTHORIZATION.

PACIFIC GAS AND ELECTRIC COMPANY		Local Government Partner: City of Fresno, Sustainable Fresno Division	
Signature	Duane Larson	Signature	John M. Dugan
Name	Duane Larson	Name	John M. Dugan
Title	Director	Title	Director of Planning & Develop.
Date	3-11-10	Date	2/11/10

ATTEST:
REBECCA E. KLISCH
CITY CLERK
By Cindy Bruer 3/30/10
Deputy

APPROVED AS TO FORM
CITY ATTORNEY'S OFFICE
By R 2-10-10

ADMINISTRATION			
PG&E Negotiator	Judy Ho	**Contractor Represent**	Joseph W. Oldham
Phone	415-973-2471	**Phone**	559-621-8049
Email	jzh1@pge.com	**Email**	Joseph.oldham@fresno.gov
Accounting Reference			
PG&E Work Supervisor:	Marii Pitcock	**Phone:** 415-973-9944	
INVOICE INSTRUCTIONS: Contractor shall send invoices for each payment when due, showing the CWA number, to: PACIFIC GAS AND ELECTRIC COMPANY	**Send ORIGINAL Invoice to:**	PG&E Accounts Payable* PO Box 7760 San Francisco, CA 94120-7760	
	Send COPY of Invoice to:	Steve Newvine, Program Manager 3185 M Street Merced, CA 95348-2404	
	For Information regarding invoice status, call PG&E's Paid Help Line at (800) 756-PAID (7243) or go to AP Web Reporting site at www.pge.com/actpay. ***Note:** Contractors using the XIGN System do not need to mail a copy of the invoice to PG&E.		

INTERNAL PG&E USE ONLY		
Distribution Date		
Distribution of Copies:	☐ Document Services (Signed Original Copy) Mail Code N5D 245 MARKET ST., SAN FRANCISCO	☐ Contractor (Signed Original Copy)
	☐ Work Supervisor	☐ Manager
	☐ Invoice Approver	☐ Supervisor
	☐ V.P.	☐ Sourcing/ Purchasing
	☐ Director	☐ Law

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2010-2012 Non-Utility Energy Efficiency Program
Fresno Energy Watch

SPECIFIC SCOPE OF WORK

1. INTRODUCTION

1.1. 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 (each an "LGP") 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 3,040, Gross kWh Savings 18,140,000, and Gross Therm Savings (61,000) (all such energy savings are hereinafter collectively referred to as "Program Energy Savings") shall be provided for a Contract budget of $360,000. 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 Fresno Energy Watch (FEW) is a Local Government Partner of Pacific Gas and Electric Company (PG&E). FEW will offer a comprehensive selection of energy efficiency programs, including comprehensive audits, retrofits, and retro-commissioning to municipalities. FEW will focus on utilizing a local-driven approach of serving our customers. Fresno in the Central Valley is geographically a hard-to-reach region within the state. Being a local government, FEW is uniquely positioned to effectively implement energy efficiency programs throughout the County.

FEW provides a comprehensive program, offering regionally appropriate energy efficiency services for all market sectors in Fresno County, including municipal, small business, commercial, and residential customers. These offerings include direct install and calculated projects, free product exchanges, rebates, technical assistance, and educational campaigns.

2. PROGRAM REQUIREMENTS

2.1. Program Management Plan

2.1.1. LGP shall submit to PG&E, a Program Management Plan ("PMP") in accordance with the requirements specified in Exhibit C (Program Management Plan), which shall include such of the following as PG&E specifies are applicable to the Program: (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. LGP and PG&E Third Party Installer Coordinated Direct Install Programs. This Section 2.2 shall apply when LGP is coordinating direct install programs with a PG&E Third Party Installer:

2.2.1. LGP shall coordinate Direct Install activities with a PG&E Third Party Installer. LGP shall work with the Installer to determine how to meet LGP's energy savings goals by performing direct installations in: (a) facilities that are owned and/or operated by local governments, (b) economic development areas, and (c) other targeted markets as specified by PG&E. Savings from these activities will be counted towards LGP's overall goals and cost-effectiveness targets.

2.3. LGPs with In-House Direct Install 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; (e) engineering reports; (f) 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. 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") in accordance with the requirements of Exhibit C that shall include such of the following, as PG&E specifies are applicable to the Program: (a) LGP's installation standards and product specifications for all eligible Energy Efficiency Measures, hardware, and quality assurance procedures; (b) LGP's plan to verify that installations are operating properly, including percentage of installations to be inspected and name of inspection agent; and (c) dispute resolution procedures for tracking and responding to Customer complaints or disputes.

2.4. LGPs with In-House Rebate Programs. This Section 2.4 shall apply when LGP is implementing its own in-house Rebate Programs.

2.4.1. PG&E may utilize the following methods to verify that EEMs are installed and operating properly: (a) post installation on-site verification; (b) product invoices; (c) engineering reports; (d) site inspection reports; (e) or other verification procedures, as appropriate. PG&E reserves the right to conduct as many inspections as needed to ascertain that EEMs are installed as reported. In order to accommodate the inspection process, LGP shall provide the EEM Incentive and Customer data in the format as specified by the PG&E Program Manager. LGP shall ensure that PG&E has full and authorized access to the Customer site(s) for the purpose of any and all necessary verification inspections. LGP's product and installation standards must meet or exceed PG&E's product and installation standards for similar EEMs.

2.4.2. PG&E's verification, inspection, and/or review of the design, construction, operation, or maintenance of the EEMs rebated by LGP shall not constitute any representation as to 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.

2.4.3. If PG&E's inspection reveals discrepancies between LGP's reported EEMs and actual EEMs, LGP shall have fifteen (15) calendar days to revise and resubmit all necessary information to the PG&E Program Manager. LGP shall be solely responsible for obtaining from the Customer a refund of any overpayment of Incentives. LGP shall report the status of Customer refunds and deduct the refunded amounts from the following month's expenditures reported in LGP's monthly report.

2.4.4. PG&E may inspect any or all installations any number of times at no charge to the LGP.

2.5. Prevention of Double-Dipping. This Section 2.5 shall apply when LGP is implementing its own in-house Rebate Programs.
LGP shall develop a plan to prevent Double Dipping. 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 for any EEMs purchased by Customer from a vendor, retailer, distributor, contractor or manufacturer participating in a PG&E Incentive Program.

2.5.1. The agreement (the "Customer Agreement") under which LGP provides Rebates for an EEM under this Contract shall provide that the Customer represents, warrants and agrees as follows:

2.5.1.1. Customer has not received Incentives (not including tax credits available under the Energy Policy Act of 2005 or American Recovery and Reinvestment Act of

2009) for the same EEM from PG&E, any other utility or from any state or local 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 Incentives for the same EEM from PG&E, any other utility or from any state, or local program; 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 an original copy of the executed Customer 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. In addition, LGP shall promptly submit the executed Customer Agreement to the PG&E Program Manager upon request.

2.5.3. None of LGP, its associates or Subcontractors shall knowingly provide an Incentive to a Customer or make any payment to a Subcontractor who has received, or is receiving, any compensation for providing the same product or service either through another California Public Goods Charge-funded program, or through any other funding source unless LGP obtains the prior written approval from the PG&E Program Manager.

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). The original signed Access Agreement shall be retained by the LGP 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 be provided 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, 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 the contract term or 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, 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 may not obligate its Subcontractors to pay any fees, including training, material or equipment fees, to participate in the Program, and shall so inform them.

2.9. End Date for Direct Implementation Activities and Incentive Payments

2.9.1. Unless this Contract is terminated pursuant to Article 40.0 (Cancellation and Termination of Contract) of the General Conditions or Section 4.3 (Budget Adjustments/Measure Disallowance/Contract Termination) of these Specific Conditions, 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, unless LGP receives prior written consent from the PG&E Program Manager to install EEMs after 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.

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 as 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 as of December 31, 2012 LGP has not completed one or more Project(s) to which Commitments were entered into during the 2010-2012 Program Cycle, 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. Notwithstanding the provisions of Section 2.10.1, 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 unless this Contract is terminated pursuant to Article 40.0 (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 may choose to continue 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 for PG&E's review and approval all technical reports. 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.

2.13.2. Violation of this Section 2.13 shall be sufficient cause for the cancellation of the Contract pursuant to the terms outlined in Article 40.0 (Cancellation and Termination of Contract) of the General Conditions.

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 notice in writing to, and the written approval of, 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 (which may be denied or delayed in the sole and absolute discretion 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), 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 (Not applicable to Direct Install Projects)

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 person before Program Launch. Legacy Projects are eligible for payment by PG&E only under the following conditions: (a) the LGP contributed to the Customer's decision to act; (b) LGP's contribution to Customer's decision to act is documented to PG&E's sole satisfaction; and (c) LGP did not receive payment for engineering studies or other work that was performed prior to LGP's involvement in the Project or for which LGP has received compensation through other means.

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

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).

2.16.2. PG&E may, at its discretion, change the policy and requirements for Customer Incentive Payments made to Self-Generation Customers with thirty (30) days' written notice to the LGP.

2.16.3. 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. PG&E will not pay incremental costs associated with any CPUC EM&V activities.

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 demand, 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, PG&E may (but shall have no obligation to) identify new energy savings estimates, net-to-gross ratios, effective useful lives, or other values that may alter Program Energy Savings. 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. Any and all compliance obligations relating to emissions of greenhouse gases or avoidance of emissions of greenhouse gases relating to the Contract implementation shall remain with the entity or entities responsible for such compliance.

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/Invoices	15th day of each month following the reporting 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 31st 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.

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 Article 6.2.4.2 of the General 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 end of the Contract term or from 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. 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. LGP understands, acknowledges and agrees that the purpose of such coordination and integration is to enhance consistency in program offerings, where applicable, and to minimize duplicative administrative and marketing costs.

2.23.1.2. During the performance of the authorized Work, LGP shall not create 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 plans to engage in 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 funds were collected.

2.24.1.2. Natural Gas Measures, and related Audit activities, to be financed with only gas Public Goods Charge funds.

2.24.1.3. Electric Measures, and related Audit activities, may only be financed with electric Public Goods Charge funds.

2.25. Certain Tax Matters

2.25.1. LGP, or its Implementer, is solely responsible for the preparation, issuance, and filing of Internal Revenue Service ("IRS") Form 1099 (or any equivalent or successor form promulgated by the IRS) to report all non-employee compensation paid to Customers, which may be in the form of Incentives or Rebates. LGP, or its Implementer, is solely responsible for obtaining appropriate professional advice relating to filing obligations with the IRS and other taxing authorities.

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. LGP shall abide by the terms of Exhibit K (Contractor, Consultant, and Supplier Code of Conduct). LGP shall 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:** LGP shall attend meetings for the purpose of training and shall develop all necessary materials to launch and implement the Program.

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 programs, 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 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. All Program Marketing Materials shall be approved by the PG&E Program Manager and in conformance with the approval requirements as set forth in Exhibit L (Approval Guidelines for Trademark/Trade Name/Logo Use in Co-Marketing Activities), PG&E Web site linking guidelines, and any additional marketing guidelines as provided by the PG&E Program Manager prior to any distribution, circulation, or publication.

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 exit materials (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 exit materials (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, and including 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**: 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.

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. LGP shall work with PG&E customer field representatives to create an energy management strategy best suited for Customer's needs and shall ensure that Customers are aware and understand the benefits of the applicable PG&E and LGP program offerings and other third party services that are available to Customers. The goal of the collaborative effort between the parties is to minimize Customer confusion regarding the various program offerings.

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. Specific points of contact shall be established and additional discussions and training shall be offered 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. Each potential Customer shall be screened and evaluated to ensure that energy efficiency opportunities are identified and that the Customer has the means, motivation and intent to install efficiency measures that will lead to long-term energy savings. LGP shall ensure 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 enter premises for the purpose of performing Program services.

3.3.1. Perform Preliminary Program Services

Upon completion of the Access Agreement, LGP shall determine which Program services best meet the needs of the Customer and advance the goals of the Program. LGP shall recommend Program services and shall keep PG&E representative(s) engaged in or informed 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. Prior to conducting energy audits for large facilities (500 kW and above), written approval is needed from the PG&E Program Manager.

Preliminary Program services include but 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 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, included in Monthly Report or as requested by the Program Manager
Due Date: On-going through Program cycle
3.3.1.1.2. 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 Project):

3.4.1.1. Project Completion Report, copy of incentive check, 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 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. Inspections: 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 a detailed installation verification of the target facility(ies) including an evaluation of all installations, and shall provide and deliver an analysis of the findings to the PG&E Program Manager identifying the Program Measures installed. If the conditions indicate, LGP shall revise the energy savings calculations. If equipment metering is required to support the savings calculations, LGP shall install all equipment needed to calculate the energy savings. Upon completion of each inspection, LGP shall complete a Field Verification Form.

3.4.3.1. Deliverables (per Project):

3.4.3.1.1. Field Verification Form included in Project Completion Report, as described in Section 3.4.5 below.
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. Upon completion of Measure installation, any discrepancies between the equipment installation documentation submitted and the onsite verification shall be recorded by LGP. 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. In such cases, LGP shall provide Customer a written notice explaining the discrepancies found. The Customer shall have 30 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 qualification of the EEM shall be reinstated. If upon further inspection, the equipment is still not found to comply with the necessary specifications, those measures shall no longer be eligible for Program incentive(s), and the LGP shall provide the Customer with written notification of this. If discrepancies between the installation documentation and the onsite verification involve the number of units installed or differing efficiency ratings that may still qualify for an Incentive, the final Incentive shall be recalculated using the values of the qualifying equipment. In the event of a Customer complaint, LGP shall address and document the complaint as described in Task 7 (Address and Resolve All Customer Issues).

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 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.

Calculation of Incentive Payments — Following installation verification, LGP shall review the energy savings and revise them, as necessary, to reflect the post-installation conditions. Customer incentive payments shall be based on these gross, verified, savings numbers. For itemized measures, savings and incentives are calculated using a deemed per-unit amount times the number of units installed for each measure type. For custom measures, savings are calculated using established engineering calculations and input values particular to the installation facility.

Project Completion Report — LGP shall assemble supporting documents for each Project and submit it to PG&E for review and approval. The supporting documents shall include the signed Program Participation Agreement, purchase and installation invoices, installation verification in the Field Verification Form, final savings and incentive calculations based on post-installation information, and any other documentation required to support the calculations.

Payment of Incentives — Upon PG&E approval of each Project's supporting documentation, LGP shall notify the Customer that the application has been approved, and shall process and deliver the incentive check to the Customer.

PG&E reserves the right to modify in its sole and absolute discretion the incentive payment process, either during program set up or during the course of program implementation, so that the customer incentive payments are made to the customer by PG&E.

3.4.5.1. Deliverables (per Project):

3.4.5.1.1. Project Completion Report, copy of incentive check, 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

3.5. **TASK 5 – 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 15th 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 31st 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 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). Customer feedback shall be obtained for LGP's and/or Subcontractor's services, equipment, and the value they found in participating in the 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: 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 that the Customers should contact a specified representative for 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:** 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 $ 360,000. 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:	$360,000
Customer Incentive Payments or Direct Install Reimbursements:	$ 0
Total Contract Budget:	**$360,000**

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 of $10,000. A schedule for meeting this target will be 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. PG&E may consider several 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.

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.

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 adjustments 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. PG&E shall pay LGP for all work satisfactorily performed as of the date of terminiation.

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: Steve Newvine
3185 M Street
Merced, CA 95348-2404

5. REQUEST FOR DATA

5.1. PG&E will share 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. The above does not include any Customer-specific information reported to the CPUC under California Public Utilities Code §583.

5.3. Upon full execution and delivery of the Contract, LGP shall be required to complete a data transfer approval process and agree to the terms therein to receive any Customer-specific information.

6. PUBLICATION OF CUSTOMER INFORMATION

6.1. LGP except as required by law or court order 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, or any other Proprietary Information without first obtaining:

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, submitted to and approved by the PG&E Program Manager.

6.2. LGP may not transfer any Customer-specific data or information by e-mail or other method except as outlined in the data transfer approval process and agreement to be provided by the PG&E Program Manager upon full execution and delivery of the Contract.

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. All media materials and outreach efforts being used in conjunction with the Programs shall abide by 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), as determined by the PG&E Program Manager.

7.3. LGP acknowledges and agrees that PG&E's name and all of its tangible and intangible Intellectual Property are owned by PG&E (or third parties), and that the unauthorized disclosure or use (or threatened disclosure or use) of PG&E's name and/or Intellectual Property Rights in violation of this Section 7, or any other breach of the PG&E brand guidelines as outlined in Exhibit L and this Contract, will likely cause irreparable harm and significant injury to PG&E (or such third parties), to such a degree that it would then be difficult or impossible to ascertain its money damages sufficient to reasonably and adequately compensate PG&E (or such third parties). Accordingly, and in addition to PG&E's right to seek damages and any other available remedies at law or in equity in accordance with this Contract, the parties agree that PG&E will have the right to obtain, from any competent civil court, immediate temporary or preliminary injunctive relief enjoining any breach or threatened breach of this Contract, involving the alleged unauthorized disclosure or use of PG&E's name or Intellectual Property Rights. The parties hereby waive any and all objections to the right of such court to grant such relief, including, but not limited to, objections of improper jurisdiction or forum non conveniens.

8. CLAIMS SUBSTANTIATION

8.1. LGP represents that it will adequately substantiate all claims it will make 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 marketing and/or technological claims made in all Program Marketing Materials. Claims include, but are not limited to, statements about the energy efficiency, safety, reliability, or performance of a piece of equipment or category of Energy Efficiency Measures.

8.2. For all 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 of 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.

8.4. LGP shall indemnify and hold harmless PG&E, its parent company and any and all affiliated subsidiaries from and against any and all forms of civil liability and all costs of suit and damages arising from or related to any claim made by LGP as part of this Program that are found not to be true, or to have been improperly marketed or inadequately substantiated. LGP further shall also be responsible for, and indemnify and hold PG&E harmless, any judgment entered against PG&E in any civil court in any jurisdiction, or as to any reasonable settlement of any such actual or potential liability, resulting from any suit or upon any demand, and to pay any reasonable attorney's fees incurred by PG&E in defense of such a suit.

9. CONFIDENTIALITY

9.1. In addition to the requirements set out in Article 25.0 of the General Conditions, LGP shall comply with the following additional terms of this Section 9 (Confidentiality) regarding the handling of confidential or Proprietary Information from PG&E or its Customers.

9.2. In performing the services and Work under this Contract, LGP may gain access to Proprietary Information. LGP hereby agrees that LGP and LGP's employees, Subcontractors and Subcontractor's employees shall hold all such Customer Proprietary Information in strict confidence and shall not use, disclose, or otherwise disseminate any such information to any person or third party without the prior written consent of a Customer or PG&E. LGP agrees that all such Proprietary Information:

9.2.1. shall be used solely for the purpose of performing services and Work for a Customer or PG&E; and

9.2.2. shall not be reproduced, copied, in whole or in part, except as specifically, authorized by a Customer or PG&E; and

9.2.3. shall, together with any and all copies, reproductions and other records that contain any Proprietary Information or materials obtained by LGP from any Customer, be returned to PG&E when no longer needed for the performance of LGP's services and Work for PG&E.

9.3. In the event that LGP is in doubt as to whether certain information is Proprietary Information, LGP shall treat the information as confidential Proprietary Information.

9.4. 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.

9.5. The parties agree that any breach of this Section 9 (Confidentiality) would constitute irreparable harm and significant injury to PG&E. Accordingly, and in addition to PG&E's right to seek damages and any other available remedies at law or in equity in accordance with this Contract, the parties

agree that PG&E will have the right to seek, from any competent civil court, immediate temporary or preliminary injunctive relief enjoining any breach or threatened breach of this Contract, involving the alleged unauthorized disclosure or use of any confidential or Proprietary Information. The parties hereby waive objections of improper jurisdiction or forum non conveniens.

9.6. Notwithstanding anything to the contrary contained herein, but without limiting the general applicability of the foregoing, LGP understands, agrees and acknowledges as follows:

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

9.6.2. 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 Program).

10. PG&E PROGRAM MANAGERS

10.1. LGP designates Joseph Oldham as LGP's Contract Representative for all matters relating to performance of the authorized Work under this Contract.

10.2. PG&E designates Steve Newvine 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. LGP's 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 pending approval by LGP's City Council, per constitutional and local law requirements, and subject to annually allocated and available funding.

13. NO ENDORSEMENT

13.1. Selection of the LGP to perform work on behalf of PG&E does not constitute, nor does it imply in any way, an endorsement by PG&E of the LGP or its firm. Consequently, LGP 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 40.0 (Cancellation and Termination of Contract) of the General Conditions, and the application by PG&E for a preliminary injunction or other provisional

judicial remedy pursuant to Article 37.0 (Dispute Resolution) 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 or in any manner which is contrary to the terms of Section 9 of this Contract and Exhibit L (Approval Guidelines for Trademark/TradeName/Logo Use in Co-Marketing Activities).

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

Name: City of Fresno, Sustainable Fresno Division
Attention: Joseph W. Oldham, Interim Sustainability Manager
Mailing Address: 2600 Fresno St., Rm. 3065, Fresno, CA 93721
Street Address: 2600 Fresno St., Rm. 3065, Fresno, CA 93721
Telephone: 559-621-8049
Email: Joseph.oldham@fresno.gov

PG&E PROGRAM MANAGER

Name: Pacific Gas and Electric Company
Attention: Steve Newvine
Mailing Address: 3185 M Street, Merced, CA 95348-2404
Street Address: 3185 M Street, Merced, CA 95348-2404
Telephone: 209-384-4918
Cell: 209-205-8684
Fax: 209-726-6433
Email: SXNS@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 40.0 (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 the Attachments 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. LGP shall immediately notify PG&E Program Manager of any conflicts or potential conflicts described in or covered by this Section.

18. SUPPLIER DIVERSITY PROGRAM POLICY

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. 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, 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
  - 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

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 or non-allowable financial incentives offered by multiple 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.

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. 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.

36. Installer/Implementer – A PG&E authorized third party contractor who installs EEMs.

37. 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.

38. 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.

39. kW - One kilowatt of electricity.

40. kWh - One kilowatt-hour of electricity.

41. Legacy Projects – Non-Direct Install Projects identified or having some activity which may move the Customer to action, prior to the Program Launch.

42. LIEE - PG&E's Low Income Energy Efficiency program.

43. 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.

44. 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.

45. Market Barriers – Impediment or hindrance to work associated with the energy watch program.

46. Marketing Materials – Materials meeting the requirements of Section 3.1.6.

47. Marketing Plan – a written plan meeting the requirements of Section 3.1.5.

48. 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.

49. 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.

50. 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.

51. 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.

52. Nonresidential - Facilities used for business, commercial, agricultural, institutional, and industrial purposes.

53. 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.

54. Program Management Plan ("PMP") – A Program Management Plan that is in accordance with the requirements specified in Exhibit C.

55. PPA – A Program Participation Agreement.

56. Program - Energy Efficiency activities and programs that advance PG&E's procurement needs through the administration of this contract.

57. 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.

58. Program Energy Savings – The savings specified in Section 1

59. Program Launch - The time period after which the Program is accepting Customer applications.

60. 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.

61. Program Ramp-Down Plan – A plan to ramp down the Program, as described in Section 3.8

62. Project - The installation of Measures at a Customer facility.

63. Proprietary Information - The Customer's account information and information relating to their facilities, equipment, processes, products, specifications, designs, records, data, software programs, Customer identities, marketing plans or manufacturing processes or products and any technical, commercial, financial, or customer information of PG&E obtained by Contractor in connection with this Contract, either during the Term or prior to the Term but in contemplation that Contractor might be providing the Services, including, but limited to, a Customer's energy usage and billing data, which may be information owned by PG&E or by a third party and which may be in the custody of PG&E or third party and which constitutes valuable confidential and proprietary information and/or trade secrets belonging to PG&E, and/or third parties. In each case, "Proprietary Information" also includes any such confidential information of any third party disclosing such confidential information to PG&E or Contractor in the course of such third party's employment, engagement, business, or other relationship with PG&E or its parent, subsidiary, or affiliated companies. If Contractor is in doubt about whether certain information is Proprietary Information, Contractor will treat that information as such.

64. 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.

65. 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.

66. Rebate or Incentive - The monetary amount paid to the Customer in order to obtain a specific act, typically the installation of Energy Efficiency equipment.

67. Rebate Program - A Program that encourages Customers to undertake a specific act, typically installing energy efficiency equipment, by providing a monetary amount (rebate) following the completion and verification of installation.

68. 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.

69. 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.

70. Retrocommissioning - A systematic process for optimizing an existing building's performance by identifying operational deficiencies and making necessary adjustments to correct the system.

71. 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.

72. Service Territory - The geographical area served by PG&E.

73. 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.

74. 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.

75. 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.

76. 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.

77. 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.

78. 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
Task 1: Set Up Program	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
Task 2: Launch Program	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
Task 3: Enroll Customers	Audit Report		Monthly
	Track project outcome and recommendations, referrals, and customer influence		Monthly

Task 4: Install Energy Efficient Hardware and Projects	Project Completion Report	On-going
	Field Verification Form (per Project)	On-going

Task 5: 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 31st following performance of previous year
	Ad Hoc Reports or Additional Data Requests	As Required by PG&E or CPUC
	Final Invoice	February 28, 2013

Task 6: 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

Task 7: Perform Customer Feedback Surveys	Customer Feedback Surveys	On-going

Task 8: Address and Resolve All Customer Issues	Customer Service Log	Monthly
	Unaddressed Customer Complaint Log	Within 5 business days of complaint receipt

Task 9: 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

Task 10: 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
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

   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
County of Fresno	Municipal
	Special District
	Non-Profit
	Small Business
	Residential

* Note: LGP has right of first refusal for municipalities; non-profits and special districts.

LGP will not have right of first refusal to customers listed below and LGP shall not serve the following customers unless authorized by PG&E.

1. Lodging – Customers in the Lodging market sector defined here as businesses that offer overnight accommodations (NAICS 72111x, 72119x, 7213xx).
2. K-12 Schools – Implementer may serve only those public and private schools located in the Implementer's assigned territory that decline to participate in either the Resource Solutions Group's Schools Energy Efficiency Program or PG&E's Schools Resource Program. This limitation applies regardless of the school district's student population or location (NAICS 6111xx).
3. Colleges – Customers in the college market sector (NAICS 6113xx).
4. Pre-Schools – Customers in the pre-school market sector (NAICS 6244xx).
5. Supermarkets and Groceries – Implementer will only address neighborhood, privately owned grocers up to a Maximum Demand of 200 kW who do not have existing multiplex refrigeration systems and do not have more than 10 stores total located within PG&E's service area. For customers in this segment whose refrigeration equipment includes multiplex systems, no services will be offered; Implementer will refer these customers to their Contract Manager for distribution to others. Convenience stores that are chains are eligible regardless of the number of stores in the chain as

long as they fit all other eligibility criteria presented here for supermarkets and groceries (NAICS 445xxx).

6. Wineries – Customers in the winery market sector (NAICS 31213x).
7. Waste Water Treatment Plants – Customers in the wastewater treatment market sector (NAICS 22132x).
8. Tribal Casinos – Customers in the tribal casino market sector (NAICS 7132xx and 72112x).
9. Furniture Stores – Customers in the furniture store market sector (NAICS 4232xx, 442xxx).
10. Private Parking Garages – Customers with parking garages (NAICS 81293x).
11. Dairies – Customers in the dairy market sector (NAICS 11212x, 3115xx).
12. Nursing Homes/Medical Office – Customers in the nursing home/medical office market sector (NAICS 621xxx, 623xxx).
13. Medical Facilities - Customers in the medical facilities market sector include nursing homes, medical office buildings and hospitals on an E19 rate schedule or that are part of one of the larger health organizations i.e., Kaiser, VA, Sutter and Catholic Healthcare West.
14. Common Area of Mobile Home Parks.
15. Bowling alleys, movie theaters and theaters (NAICS 51213x, 71395x)

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."

Note: LGP may insert their specific terms and conditions language in items 1-9 below. Any modifications to the language in the general terms and conditions must be approved in writing by the PG&E Program Manager.

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 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).*

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.

Exhibit F: LGP Approved Billing Rates for Labor

Organization	Position	Billing Rates ($/Hr)
City of Fresno	Program Manager	$90.00
City of Fresno	Engineer / Q-A Inspector	$62.00
City of Fresno	Senior Account Clerk / Scheduler	$39.00

Exhibit G: Invoice Reporting Requirements

Monthly Reports

LGP shall submit the following files to PG&E by the 15th 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
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	***Aggregated End Use***
Clothes Dryer	Appliances
Clothes Washer	Appliances
Consumer Electronics	Consumer Electronics
Cooking	Cooking Appliances
Dishwasher	Appliances
Other Appliance	Appliances
Building Shell	HVAC
Space Cooling	HVAC
Space Heating	HVAC
Interior Lighting	Lighting
Exterior Lighting	Lighting
Pool Pump	Pool Pump
Freezers	Refrigeration
Refrigeration	Refrigeration
Water Heating	Water Heating
Other (User Entered Text String Description)	Other

Nonresidential End Uses

Detailed End Use	***Aggregated End Use***
Building Shell	HVAC
Space Cooling	HVAC
Space Heating	HVAC
Ventilation	HVAC
Daylighting	Lighting
Interior Lighting	Lighting
Exterior 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:

Market Sector	***Market Segment***
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

Allowable Costs Table	
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&E, the program administrator. If there is a desire to include additional Allowable Cost elements, PG&E should be contacted in order for the administrator to seek approval from the CPUC.	
	9/29/2009
Cost Categories	**Allowable Costs**
Administrative Cost Category	
	Managerial and Clerical Labor
	Subcontractor Labor - Clerical
	Subcontractor Labor - Staff Management
	Subcontractor Labor - Staff Supervision
	Human Resource Support and Development
	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
	Travel and Conference Fees
	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
	Overhead (General and Administrative) - Labor and Materials
	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	
	Financial Incentives to Customers
	Program/Project Management
	Subcontractor Labor - Program Design
	Subcontractor Labor - Program Development
	Subcontractor Labor - Program Planning
	Subcontractor Labor - Program/Project Management
	Activity - Direct Labor
	Subcontractor Labor - Facilities Audits
	Subcontractor Labor - Curriculum Development
	Subcontractor Labor - Customer Education and Training
	Subcontractor Labor - Customer Equipment Testing and Diagnostics
	Installation and Service - Labor
	Subcontractor Labor - Customer Equipment Repair and Servicing
	Subcontractor Labor - Measure Installation

	Direct Implementation Hardware and Materials
	Subcontractor - Direct Implementation Literature
	Subcontractor - Education Materials
	Subcontractor - Energy Measurement Tools
	Subcontractor - Installation Hardware
	Subcontractor - Audit Applications and Forms
	Rebate Processing and Inspection - Labor and Materials
	Subcontractor Labor - Field Verification
	Subcontractor Labor - Rebate Processing
	Subcontractor - Rebate Applications
Evaluation, Measurement and Verification	
	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

CWA Number: 2500301768

EXHIBIT I - AUTHORIZATION TO RECEIVE CUSTOMER INFORMATION OR ACT ON A CUSTOMER'S BEHALF	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** _____
NAME OF THIRD PARTY MAILING ADDRESS

_____
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[1].

☐ 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.

1 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.

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[2] (initial one box only):

[2]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** _____ _____ **at** _____.

MONTH YEAR 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

CWA Number: 2500301768

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 _____ (NOMBRE DEL CLIENTE REGISTRADO) **(Cliente) tiene la siguiente dirección postal**

_____ (DIRECCIÓN POSTAL) _____ (CIUDAD) _____ (ESTADO) _____ (CÓDIGO POSTAL) **, y a través del presente designo a**

_____ (NOMBRE DEL TERCERO) **de** _____ (DIRECCIÓN POSTAL)

_____ (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[1].

☐ 2. Solicitar y recibir copias de correspodencia relacionada con mi(s) cuenta(s) relativas a (ponga sus iniciales en todas las respuestas pertinentes):

- ☐ a. Verificación de tarifas, fecha de cambio de tarifas e información relacionada;
- ☐ b. Contratos y Convenios de Servicio;
- ☐ c. Emisión previa o propuesta de ajustes/créditos; o
- ☐ 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.

[1] 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.

CWA Number: 2500301768

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[2] (ponga sus iniciales únicamente en un casillero):

[2]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 mia 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 Srervicios Públicos se reserva el derecho de verificar toda solicitud de autorización presentada antes de divulgar información o desempeñar algún acto en representación mia. 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 — NÚMERO TELEFÓNICO

Firmado este dia_____ **de** _____ **de**_____ **en** _____.

MES AÑO — 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 dia_____ **de** _____ **de**_____

MES AÑO

Exhibit J: Non-Disclosure and Use of Information Agreement

THIS AGREEMENT is by and between _____ ("Company"), _____ ("Undersigned") authorized employee of Company (together, Company and Undersigned are referred to as the "Recipient"), and PACIFIC GAS AND ELECTRIC COMPANY ("PG&E") on the date set forth below. Undersigned and Company agree as follows:

1. The Recipient acknowledges that in the course of performing services or work for PG&E, the Recipient will be given access to technical information and materials including, but not limited to, information relating to drawings, maps, reports, specifications and records and/or software, data, computer models, and related documentation, which are owned by PG&E, its parent company, subsidiaries or affiliates, and/or owned by third parties and in the possession of or licensed to PG&E, and which constitute valuable, confidential and proprietary information, know-how, and trade secrets, belonging to PG&E, its parent company, subsidiaries or affiliates and/or third parties (collectively, "Proprietary Information").

2. In consideration of being made privy to such Proprietary Information, and of the contracting for the Recipient's professional services by PG&E, the Recipient hereby shall hold the same in strict confidence, and not to disclose it, or otherwise make it available, to any person or third party (including but not limited to any affiliate of PG&E that produces energy or energy-related products or services) without the prior written consent of PG&E. The Recipient agrees that all such Proprietary Information:

    a. Shall be used only for the purpose of providing services or work for PG&E; and

    b. Shall not be reproduced, copied, in whole or in part, except as specifically authorized and in conformance with PG&E's instructions when necessary for the purposes set forth in (a) above; and

    c. Shall, together with any copies, reproductions or other records thereof, in any form, and all information and materials developed by Undersigned therefrom, be returned to PG&E when no longer needed for the performance of Undersigned's services for PG&E.

3. The Recipient hereby agrees that any third parties owning any Proprietary Information are express third party beneficiaries of this Agreement.

4. The Recipient hereby acknowledges and agrees that because (a) an award of money damages is inadequate for any breach of this Agreement by the Recipient or any of its representatives and (b) any breach causes PG&E irreparable harm, that for any violation or threatened violation of any provision of this Agreement, in addition to any remedy PG&E may have at law, PG&E may seek equitable relief, including injunctive relief and specific performance, without proof of actual damages.

5. This Agreement shall be governed by and interpreted in accordance with the laws of The State of California, without regard to its conflict of laws principles.

UNDERSIGNED:	COMPANY
_____	_____
Signature	Company Name
_____	_____
Name	Signature of Authorized Agent of
_____	_____
Title	Name
_____	_____
Company	Title
_____	_____
Date	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/.

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:[2]

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.)

[2] Internet website: 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/.

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"***

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.

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 loses 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 INCIDENTIAL, 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 Equipment

NOTE: Access agreement to be used for Implementer access where no monitoring equipment is installed.

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 loses 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 INCIDENTIAL, 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: _____