

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of Southern California Edison
Company (U338E) for Approval of Energy
Efficiency Rolling Portfolio Business Plan.

Application 17-01-013
(Filed January 17, 2017)

And Related Matters.

Application 17-01-014
Application 17-01-015
Application 17-01-016
Application 17-01-017

JOINT MOTION FOR APPROVAL OF STANDARD CONTRACT
FOR LOCAL GOVERNMENT PARTNERSHIPS

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I. INTRODUCTION

Pursuant to Rule 11.1 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”) and the June 5, 2018 Decision Addressing Energy Efficiency Business Plans, Decision (“D”) 18-05-041, (“Decision”), San Diego Gas & Electric Company (“SDG&E”), Southern California Gas Company (“SoCalGas”), Southern California Edison Company (“SCE”) and Pacific Gas and Electric Company (“PG&E”) (collectively, the “Joint Utilities”) submit this Joint Motion for Commission approval of proposed standard contract terms for Local Government Partnerships. This Joint Motion is timely filed within 90 days of the issuance of the Decision.¹

II. PROPOSED STANDARD THIRD-PARTY CONTRACT TERMS

Consistent with the Decision’s guidance, the Joint Utilities collaborated on the Energy Efficiency programs contract terms for Local Government Partnerships required to be standardized by the Decision. The Joint Utilities emphasize that the proposed Standard and

¹ D.18-01-004 at Ordering Paragraph (“OP”) 31.

Modifiable contract terms in Attachments A and B contain only the terms that are listed in the Decision and do not constitute the full contract terms and conditions of the Joint Utilities.

The Joint Utilities provided a first draft of both the non-modifiable and modifiable contract terms for Local Government Partnerships to the California Energy Efficiency Coordinating Committee (“CAEECC”) for review and comment by its members. On [REDACTED], 2018, CAEECC hosted a meeting to discuss the first draft of the proposed terms with interested parties to seek their input prior to filing this Joint Motion. The Joint Utilities considered the comments and made revisions both in response to the comments and based on further discussions among the Joint Utilities.²

The Joint Utilities also presented a draft of both the non-modifiable and modifiable contract terms for Local Government Partnerships to the Local Government Partners via webinar on [REDACTED], 2018. The Joint Utilities considered the comments and made revisions in response to the comments and based on further discussion among the Joint Utilities.

The Joint Utilities’ proposed contract terms for Local Government Partnerships, in Attachment A, contain non-modifiable, standard contract terms listed in D.18-05-041, OP 31, pertaining to contract term/length, budget and payment schedule and terms, dispute resolution process, and termination process. The Joint Utilities note that certain requirements, such as [REDACTED], will differ depending on program design and the nature and size of the contract. Rather than attempt to draft language for all possible program designs, the Joint Utilities have included a placeholder to allow for company - and program-specific requirements to be included. As the Commission is aware, all contracts will go through an independent

² The following stakeholders submitted comments: [REDACTED]. These comments are available at the California Energy Efficiency Coordinating Committee website: <https://www.caeecc.org/caeecc-documents>.

evaluator and procurement review group process, and all contracts for more than five million dollars and/or longer than three years will be filed and reviewed by the Commission.

Attachment B contains the Joint Utilities' proposed contract terms, as specified in D.18-05-041, OP 31, that are modifiable, including: data collection and access provisions; progress and evaluation metrics; evaluation, measurement, and verification requirements; and method for calculating co-benefits and economic development benefits of programs in disadvantaged communities and/or for hard-to-reach customers.

The Joint Utilities standardized the modifiable provisions to the extent possible; however, the Joint Utilities emphasize that these provisions are negotiable and subject to change. At the [REDACTED] CAEECC and LGP Partners meetings, there was general agreement that standardizing terms at this point in the process would be a substantial challenge. For this reason, the Joint Utilities have proposed more general contract provisions, along with a description of how the Joint Utilities expect those provisions will be negotiated once Local Government Partnerships have developed specific program concepts. Additionally, certain provisions – such as data collection and access – will necessarily differ based on the nature and scope of the program and the Joint Utilities' specific company requirements. Therefore, the Joint Utilities request that the Commission accept these “placeholder” modifiable provisions with the expectation that they will be refined and negotiated as contracts with Local Government Partnerships are drafted.

III. CONCLUSION

The Joint Utilities look forward to the Commission's approval of the proposed (a) standard contract terms and (b) modifiable contract terms, so that the Energy Efficiency program solicitations can move forward in an expeditious manner.

Respectfully submitted,

/s/ Ellen N. Adler

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ATTACHMENT A

ATTACHMENT A
PROPOSED STANDARD CONTRACT TERMS

A. Contract Term/Length

1. Term.

The “Term” of this Agreement shall commence upon the [Effective Date]³ and shall continue, unless terminated earlier in accordance with the terms of this Agreement, until three (3) years [from the Effective Date] [after the date upon which CPUC Approval occurs].

“CPUC Approval” means a decision of the CPUC that (i) is final and no longer subject to appeal, which approves the Agreement in full and in the form presented on terms and conditions acceptable to Company in its sole discretion, including without limitation terms and conditions related to cost recovery and cost allocation of amounts paid to Implementer under the Agreement; (ii) does not contain conditions or modifications unacceptable to Company, in Company’s sole discretion; and (iii) finds that the Agreement satisfies the requirements in [Decision xx-xxx]. *{Comment: Placeholder term for Agreement, subject to modification by Company and may be negotiated by Company and Bidder}*

B. Dispute Resolution Process

1. Disputes. Either Party may give the other Party written notice of any dispute which has not been resolved at a working level. Any dispute that cannot be resolved between Implementer’s contract representative and Company’s contract representative by good faith negotiation efforts shall be referred to a [Insert IOU-specific level of authority] of Company and an officer of Implementer for resolution. Within 20 calendar days after delivery of such notice, such persons 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 Company and Implementer cannot reach an agreement within a reasonable period of time (but in no event more than 30 calendar days), Company and Implementer shall have the right to pursue all rights and remedies that may be available at law or in equity. All negotiations and any mediation agreed to by the Parties 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.
2. Governing Law. This Agreement shall be governed by the internal laws of the State of California, with reference to its conflict of laws principles.
3. Venue. In the event of any litigation to enforce or interpret any terms of this Agreement, such action shall be brought in a Superior Court of the State of California located in [Insert IOU-specific County] (or if the federal courts have exclusive jurisdiction over the subject matter of the dispute, in the U.S. District Court for the [Northern/Central/Southern] District of California), and the parties hereby submit to the exclusive jurisdiction of such courts.

³ “Execution Date” to be defined as the date both parties have executed the Agreement.

C. Termination Process

1. Event of Default. An “Event of Default” shall mean, with respect to a Party (“Defaulting Party”), the occurrence of any one or more of the following:
 - (a) With respect to either Party:
 - (i) the failure to perform any material covenant, obligation, term or condition of this Agreement (except to the extent constituting a separate Event of Default), including without limitation the failure to make, when due, any undisputed payment required to be made by such Party, if such failure is not remedied within thirty (30) calendar days of Notice of such breach by the Non-Defaulting Party;
 - (ii) such Party becomes insolvent, generally does not pay its debts as they become due, makes a general assignment for the benefit of creditors, or commences any action seeking reorganization or receivership under any bankruptcy, insolvency, reorganization or similar law for the relief of creditors or affecting the rights or remedies of creditors generally; or
 - (iii) such Party disaffirms, disclaims, rejects (in whole or in part), or challenges the validity of this Agreement.
 - (b) With respect to Implementer:
 - (i) any representation or warranty made by Implementer or Implementer Party to any person or entity (including, without limitation, a member of the public, a customer of Company, or a governmental authority) or in this Agreement is false or misleading in any material respect when made or when deemed made or repeated if the representation or warranty is continuing in nature;
 - (ii) any legal action is made or commenced against Implementer or Implementer Party which, in Company’s opinion, may interfere with the performance of the [Services];
 - (iii) Implementer or any Implementer Party commits any material act of dishonesty, fraud, misuse of funds, or misrepresentation of Company’s administration of this Agreement;
 - (iv) Company becomes aware of a public safety issue arising out of or related to Implementer’s or Implementer Party’s administration or performance of this Agreement;
 - (v) Implementer assigns, subcontracts, or transfers this Agreement or any right or interest herein except in accordance with Section [__];

- (vi) Implementer fails to maintain the insurance coverage required of it in accordance with Article [__];
- (vii) Implementer fails to satisfy the collateral requirements set forth in Section [__], including failure to post and maintain the performance assurance requirements set forth in this Agreement;
- (viii) Implementer breaches any obligation of confidentiality or its obligations under Section [*Insert Section Reference to Security Measures*]; or
- (viii) Implementer fails to achieve [*Insert Minimum Performance Requirements*].

2. Termination for Cause. If an Event of Default shall have occurred with respect to a Party, the other Party (the “Non-Defaulting Party”) shall have one or more of the following rights:

- (a) To designate by Notice, which will be effective no later than twenty (20) calendar days after the Notice is received, the early termination of this Agreement (an “Early Termination Date”);
- (b) Withhold any payments due to the Defaulting Party under this Agreement;
- (c) Suspend performance of [Services] under this Agreement (but excluding, for the avoidance of doubt, the obligation to post and maintain [Security] in accordance with Section [__] and the obligation to obtain and maintain the insurance requirements in accordance with Section [__]); and
- (d) To pursue all remedies available at law or in equity against the Defaulting Party (including monetary damages), except to the extent that such remedies are limited by the terms of this Agreement.

3. Termination for Convenience. Company shall have the right to terminate this Agreement or all or any portion of the [Services] at any time, in its sole convenience, exercisable in its sole and absolute discretion and without cause, upon twenty (20) days’ written notice to Implementer. Upon Company’s exercise of such termination rights, the following shall apply:

- (a) Company shall be liable to Implementer only for the compensation earned on [Services] satisfactorily performed prior to the effective date of termination, plus documented and verifiable costs (such as demobilization costs) reasonably incurred by Implementer in terminating the [Services.] Implementer shall mitigate its damages to minimize its claim, if any, against Company.
- (b) Notwithstanding anything contained in this Section [__], in no event shall Company be liable for lost or anticipated profits or overhead on uncompleted portions of the [Services.] Implementer shall not enter into any agreement, commitments or subcontracts that would incur significant cancellation or termination costs without prior written approval of Company, and such written approval shall be a condition precedent to the payment of any

cancellation or termination charges by Company under this Section [____]. Also as a condition precedent to the payment of any cancellation or termination charges by Company under this Section [____], Implementer shall have delivered to Company any and all reports, drawings, documents and deliverables prepared for Company before the effective date of such cancellation or termination.

(c) The provisions of this Section [____] shall be Implementer's sole remedy resulting from Company's termination for convenience hereunder.

2. Termination/Modification by CPUC Order. This Agreement shall be subject to changes, modifications, or termination by order or directive of the California Public Utilities Commission ("CPUC"), as may be determined by Company in its sole discretion. The CPUC may from time to time issue an order or directive relating to or affecting any aspect of this Agreement, in which case Company shall have the right to change, modify or terminate this Agreement in any manner to be consistent with such CPUC order or directive. Under no circumstance shall Implementer or any subcontractor be entitled to any compensation for any costs, expenses, lost profit or damages incurred by Implementer or any subcontractor as a result of any change, modification, or termination of this Agreement under this Section [____].
3. Conclusion of Work. Upon Company's termination of this Agreement for any reason, Implementer shall, and shall cause each Implementer Party to, bring the Services to an orderly conclusion as directed by Company. Implementer and each Implementer Party shall vacate the worksite but shall not remove any material, plant or equipment thereon without the approval of Company. Company, at its option, may take possession of any portion of the Services paid for by Company.

D. Payment Schedule and Terms, Including Pay-for-Performance Payment Provisions

1. Payment Terms.

[Payment terms will vary based on the Program proposed, and the Company will evaluate bids, in part, on creative proposals that spread the risk of non-performance and deliver a quality and cost-effective program at a reasonable cost to ratepayers. Table 2 outlines some potential contract categories with potential associated payment schedules and payment terms, if applicable; however, the Company will evaluate payment terms based on the bid and the nature of the Program. Table 2 is not intended to be exhaustive, and additional or modified payment categories may be proposed in the filing and/or in specific agreements, as negotiated.

Company prefers Program Proposals that include a "pay for performance" fee structure component that conditions payments from Company to Implementer based on specific savings or other metrics that advance energy efficiency portfolio goals (i.e. Meter Based). These pay-for-performance models may include performance security in a form of cash or line (or letter) of credit to ensure that implementers are meeting key performance metrics such as energy savings and cost-effectiveness and that permit Company to draw against such performance security if certain performance conditions and/or KPIs are not met. Percentages of performance security and metrics will be negotiated between the Implementer and Company.

Program proposals with greater proportions of funds tied to the delivery of energy savings measured and verified post-installation will be preferred over program proposals that correlate performance to program activities (installations) associated with pre-installation savings estimates (deemed), or

proposals with large proportions of funds dedicated to Program Implementation activities that are not directly tied to energy savings, respectively.]

1. **Table 2: Payment Terms**

Contract Payment Category	Description	Proportion of Total Contract Value (%)	Contract Value by Category (\$)	Performance Security Rate (%)	Performance Security Amount (\$)
Program Implementation (A)	Funds paid to Implementers through monthly Time and Material invoicing for marketing, communications, and program administration activities	A% [Implementer to Designate]	\$A = [Total Contract Value x A%]	AX% [IOU to Designate]	\$AX = [\$A x AX%]
Deemed Savings (B)	Payments in this category are dispersed to Implementers upon the successful completion and verification of program measure installations.	B% [Implementer to Designate]	\$B = [Total Contract Value x B%]	BX% [IOU to Designate]	\$BX = [\$B x BX%]
Custom Savings (C)	Payments to Implementers are tied to specific project installations and split between pre-installation customer commitment milestones and a post-installation measurement and verification (M&V) true-up of delivered energy savings. True-up provisions may include performance security to be posted by the Implementer.	C% [Implementer to Designate]	\$C = [Total Contract Value x C%]	CX% [IOU to Designate]	\$CX = [\$C x CX%]
Meter-Based Savings (D)	Payments to Implementers are tied to post installation measurement and verification of delivered energy savings at pre-determined measurement intervals. May include true-up provisions, as applicable, along with	D% [Implementer to Designate]	\$D = [Total Contract Value x D%]	DX% [IOU to Designate]	\$DX = [\$D x DX%]

	performance security to be posted by the Implementer.				
		(A%+B%+C%+D%)=100	SUM(\$A+\$B+\$C+\$D)		
				Performance Security Deposit (E)	SUM(\$AX+\$BX+\$CX+\$DX)

4.

ATTACHMENT B

ATTACHMENT B MODIFIABLE CONTRACT TERMS

A. Progress and Evaluation Metrics

1. Final Implementation Plan.

The Parties shall finalize a Final Implementation Plan in accordance with the Draft Implementation Plan. The Final Implementation Plan will be posted to the relevant CPUC website by Company no later than sixty (60) days following the Effective Date of this Agreement. The Final Implementation Plan shall be consistent with the terms and conditions of the Agreement. *{Comment: Term is subject to modification by Company and may be negotiated by Company and Bidder}*

Implementer shall not be permitted to, nor shall Implementer permit or allow an Implementer Party to, commence the Services prior to both Parties' approval to the Final Implementation Plan. Company shall not be obligated to make any payment to Implementer under this Agreement prior to approval of the Final Implementation Plan. *{Comment: Term is subject to modification by Company and may be negotiated by Company and Bidder}*

2. Key Performance Indicators.

Implementer shall use commercially reasonable efforts to meet the Key Performance Indicators ("KPIs")⁴ for the Program attached hereto as Schedule *[Comment: Schedule to be inserted based on the Proposal and negotiations between Implementer and Company]*. Implementer shall provide to Company all documentation and accurate data needed to demonstrate compliance with each KPI and to calculate satisfaction of each KPI, at the frequency stipulated in the Final Implementation Plan or as reasonably requested by Company. Company shall review Implementer's performance in achieving each KPI once per calendar quarter or as otherwise deemed necessary by Company in its sole discretion. If Company determines, in its sole discretion, that Implementer does not meet one or more of its KPIs, then, in addition to and without limiting any and all remedies available to Company as provided in this Agreement, Implementer shall provide Company with an action plan detailing the reasons why the KPI(s) were not achieved and the steps (and timeline for those steps) Implementer will take to remediate and achieve its KPI(s) in a timely manner. *{Comment: Term is subject to modification by Company and may be negotiated by Company and Implementer, and will include a remediation timeframe for each KPI based on specific KPIs and contract type}*

[In its Proposal, Bidder will be required to include a table of KPIs, which will be the primary means by which Company will assess Program performance on an ongoing basis. KPIs will be individually negotiated based on the specific Proposed Program features. Table 1 outlines a set of foundational KPIs applicable to all programs of several major contract types. The KPIs are subject to modification by Company and will be negotiated by Company and Bidder. Additional Implementer performance requirements to ensure KPIs are met may be negotiated between the Bidder and Company depending on the Program, including, but not limited to, true-up payments for not meeting savings KPIs or completing projects, right of Company to reduce or eliminate funding for program and payments, or in cases of material underperformance, right of Company to declare an event of default. *{Comment: modifiable RFP Instructions}*

⁴ "KPIs" will be the primary means by which Company will assess Program performance on an ongoing basis.

Schedule [TBD]: Key Performance Indicators *{Comment: Schedule to be included in Bidder's Proposal and included in the Agreement, subject to modification by Company and may be negotiated by Company and Bidder}*

Table 1: Examples of Foundational KPIs

Category / Program Type		KPI	KPI Definition
Program Performance	For Resource Programs	Energy Savings (kWh, kW, Therms)	A comparison of energy savings achieved vs. energy savings required under the Agreement
		Project Pipeline Target (kWh, kW, Therms)	A comparison of energy savings associated with future project pipeline in relation to the energy savings required under the Agreement
		Schedule Adherence (committed/installed)	Actual number of [committed/installed] projects compared to the projected number of [committed/installed] projects as required under the Agreement
		Cost Management (TRC ratio) (Levelized cost)	The Total Resource Cost Test measures the net costs of a demand-side management program based on the total costs of the program, including both the participants and the utilities costs
		Cost Management (incentive/non-incentive)	[Incentive/non-incentive] spend based on paid [incentive/non-incentive] spend vs forecasted [incentive/non-incentive] spend
		Customer Satisfaction Rating	Measurement of Implementer's ability to respond to customer needs, number of complaints, resolution of complaints,

			flexibility, reporting accuracy and timeliness
	For Non-Resource Codes and Standards Programs	TBD	TBD
	For Workforce Education & Training Programs	TBD	TBD
	For Emerging Technology Programs	TBD	TBD
Implementer Administrative Performance	For all Programs	Invoicing and Billing Accuracy	TBD
		Program Data Quality	TBD
		Contract Compliance	TBD
Marketing Performance (as applicable)	Co-Branding	Brand Review Time	The total hours spent reviewing marketing materials submitted by Implementer or Implementer Parties
	Email	Unsubscribes or opt outs	The average unsubscribe rate across all email campaigns
		Spam (Complaints)	The average spam or complaint rate across all email campaigns
	Direct Mail	Unsubscribes or opt outs	[TBD]
	Telemarketing	Unsubscribes or opt outs	[TBD]
	SMS	Unsubscribes or opt outs	The average unsubscribe rate across all SMS campaigns

	Door-to-Door	Unsubscribes or opt outs	[TBD]
	Digital Media	TBD	TBD
	Social Media	TBD	TBD
	Website	TBD	TBD
Supply Chain Responsibility	All Programs	Safety Ratings	An evaluation of the Implementer's overall approach to safety and the quality of the Implementer's safety program
		Diverse Business Enterprises Spend	Measures spend performance with Diverse Business Enterprises
		Disadvantaged Worker Spend	TBD
		Hard to Reach and Disadvantaged Communities	TBD
		Sustainability Ratings	Evaluates the Implementer against environmental and sustainability practices and metrics.

3. Other Program Metrics.

Implementer shall provide to Company all documentation and data needed to calculate all Program Metrics⁵ set forth in the Final Implementation Plan, at the frequency stipulated in the Final Implementation Plan. Such data includes, but is not limited to, data in support of sector-level and portfolio-level metrics, as approved by the CPUC. *{Comment: Term is subject to modification by Company and may be negotiated by Company and Bidder}*

B. Measurement and Verification Requirements, including Guidelines about Normalized Metered Energy Consumption (NMEC) Design Requirements

Implementer shall:

- (a) Only enroll customers that qualify for Program services. Implementers may need to confirm a customer's NMEC analysis suitability with the PAs.

⁵ "Program Metrics" will be defined in the Agreement.

- (b) Comply with current policies, procedures, and other required documentation as required by Company;
- (c) Report Customer Participation Information⁶ to Company;
- (d) Work with Company's evaluation team to define Program-specific data collection and evaluability requirements, and in the case of NMEC,⁷ which independent variables shall be normalized. *{Comment: placeholder for Agreement term, subject to modification by Company and may be negotiated by Company and Bidder}*

Throughout the Term, Company may identify new energy savings estimates, net-to-gross ratios, effective useful lives, or other values that may alter Program Energy Savings⁸. Implementer shall use modified values upon Company's request, provided Company modifies Implementer's Program budget and/or overall Program Energy Savings consistent with the requested change. Company will determine any budget increases or decreases in its sole discretion. *{Comment: placeholder for Agreement term, subject to modification by Company and may be negotiated by Company and Bidder}*

For Programs claiming to-code savings:

Implementer shall comply with Applicable Law and work with Company to address elements in its Program designs and Implementation Plans, such as:

- (a) Identifying where to-code savings potential resides;
- (b) Specifying which equipment types, building types, geographical locations, and/or customer segments promise cost-effective to-code savings;
- (c) Describing the barriers that prevent code-compliant equipment replacements;
- (d) Explaining why natural turnover is not occurring within certain markets or for certain technologies; and
- (e) Detailing the program interventions that would effectively accelerate equipment turnover. *{Comment: placeholder for Agreement term}*

C. Data Collection and Ownership Requirements

1. "Company Data" shall mean all data or information provided by or on behalf of Company, including but not limited to, customer personally identifiable information; energy usage data relating to, of, or concerning, provided by or on behalf of any customers; all data or information input, information systems and technology, software, methods, forms, manual's, and designs, transferred, uploaded, migrated, or otherwise sent by or on behalf of Company to Implementer as Company may approve of in advance and in writing (in each instance); account numbers, forecasts, and other similar information disclosed to or otherwise made available to Implementer. Company Data shall also include all data and materials provided by or made available to Implementer by Company's licensors, including but not limited to,

⁶ "Customer Participation Information" will be defined in the Agreement.

⁷ "NMEC" will be defined in the Agreement.

⁸ "Program Energy Savings" will be defined in the Agreement.

any and all survey responses, feedback, and reports subject to any limitations or restrictions set forth in the agreements between Company and their licensors.

Prior to Implementer receiving any Company Data, Implementer shall comply, and at all times thereafter continue to comply, in compliance with Company's Data security policies set forth on Exhibit ____ ("Security Measures") and pursuant to Company's Confidentiality provisions in Section []. Company's Data Security Measures and Confidentiality provisions require Implementer to adhere to reasonable administrative, technical, and physical safeguard protocols to protect the Company's Data from unauthorized handling, access, destruction, use, modification or disclosure.] *{Comment: placeholder for Agreement term, each Company to add their own set of internal requirements}*

2. Ownership and Use Rights.

- a. Company Data. Unless otherwise expressly agreed to by the Parties, Company shall retain all of its rights, title and interest in Company's Data. *{Comment: placeholder for Agreement term, each Company to add their own set of internal requirements}*
- b. Program Intellectual Property. Unless otherwise expressly agreed to by the Parties, any and all materials, information, or other work product created, prepared, accumulated or developed by Implementer or any Implementer Party under this Agreement with Program funds ("Program Intellectual Property"), including, without limitation, inventions, processes, templates, documents, drawings, computer programs, designs, calculations, maps, plans, workplans, text, filings, estimates, manifests, certificates, books, specifications, sketches, notes, reports, summaries, analyses, manuals, visual materials, data models and samples, including summaries, extracts, analyses and preliminary or draft materials developed in connection therewith, shall be jointly owned by the Company and Program Participants⁹, if any and without further consideration, on behalf and for the benefit of their respective customers. Program Intellectual Property will be owned by Company upon its creation. Implementer agrees to execute any such other documents or take other actions as Company may reasonably request to perfect Company's ownership in the Program Intellectual Property. Implementer and Implementer Parties shall retain no interest, title or ownership in any Program Intellectual Property and such Program Intellectual Property shall be used by Implementer and Implementer Parties only to perform the obligations set forth hereunder. The Program Intellectual Property shall not be used for any purpose that is outside the direct scope of this Agreement, including, without limitation, for any commercial purposes in Implementer or an Implementer's Party's general course of business, nor shall it be disclosed without the prior written consent of Company. *{Comment: placeholder for Agreement term, each Company to add their own set of internal requirements}*
- c. Implementer's Pre-Existing Materials. If, and to the extent Implementer retains any preexisting ownership rights ("Implementer's Pre-Existing Materials") in any of the materials furnished to be used to create, develop, and prepare the Program Intellectual Property, Implementer hereby grants Company and the Program Participants on behalf of

⁹ "Program Participants" is defined as any other entity (including, without limitation, any other utility) providing funding under the Program.

their respective customers and the CPUC for governmental and regulatory purposes an irrevocable, assignable, non-exclusive, perpetual, fully paid up, worldwide, royalty-free, unrestricted license to use and sublicense others to use, reproduce, display, prepare and develop derivative works, perform, distribute copies of any intellectual or proprietary property right of Implementer or any Implementer Party for the sole purpose of using such Program Intellectual Property for the conduct of Company's business and for disclosure to the CPUC for governmental and regulatory purposes related thereto. Unless otherwise expressly agreed to by the Parties, Implementer shall retain all of its rights, title and interest in Implementer's Pre-Existing Materials. Any and all claims to Implementer's Pre-Existing Materials to be furnished or used to prepare, create, develop or otherwise manifest the Program Intellectual Property must be expressly disclosed to Company prior to performing any Services under this Agreement. *{Comment: placeholder for Agreement term, each Company to add their own requirements}*

3. Billing, Energy Use, and Program Tracking Data.

Implementer shall comply with and timely cooperate with all CPUC directives, activities, and requests regarding the Program and Project evaluation, measurement, and verification (EM&V), and Rolling Portfolio sector and implementation plan metrics. *{Comment: placeholder for Agreement term, each Company to add their own requirements}*

Implementer shall make available to Company upon demand, detailed descriptions of the program, data tracking systems, baseline conditions, and participant data, including financial assistance amounts. *{Comment: placeholder for Agreement term, each Company to add their own requirements}*

Implementer shall make available to Company any revisions to Implementer's program theory and logic model (PTLM) and results from its quality assurance procedures, and comply with all Company EM&V requirements, including reporting of progress and evaluation metrics.] *{Comment: placeholder for Agreement term, each Company to add their own requirements}*

4. Access to Customer Sites.

Implementer shall be responsible for obtaining any and all access rights from customers and other third parties to the extent necessary to perform the Services. Implementer shall also procure any and all access rights from Implementer Parties, Customers and other third parties in order for Company and CPUC employees, representatives, designees and contractors to inspect the Services. *{Comment: placeholder for Agreement term, each Company to add their own requirements}*

D. Method for Calculating Co-Benefits and Economic Development Benefits of Programs in Disadvantaged Communities and/or for Hard-to-Reach Customers

Implementer shall provide to Company all documentation and data identified in Table XX necessary to calculate the co-benefits (or non-energy benefits – NEBs) and economic development benefits of the Program, at the frequency stipulated in Table XX. Implementer shall utilize the methods outlined in study “XXXXXX”, or as otherwise agreed to between the Company and Implementer, to calculate co-benefits and economic development benefits.

“Co-Benefits” means non-energy related benefits (such as decreased GHG emissions, fewer sick days, etc.), particularly in regard to hard-to-reach and disadvantaged communities, that both local government partners and utility partners receive as part of the program.

“Economic Development Benefits” means local economic impacts (such as increased property values, number of jobs created, etc.) , particularly in regard to hard-to-reach and disadvantaged communities, associated with the Local Government Partnership program.

Table 2: Co-benefits/Economic Development Benefit Fields

Data Field	Frequency
TBD (TBD)	TBD

{Comment: placeholder for Agreement term, each Company to add their own requirements}

{Comment: Evaluation, Measurement and Verification Study. Co-benefits are also known in the evaluation field as Non Energy Benefits (NEBs), and has a 20 year history of research from energy efficiency programs outside of California (see also the California Evaluation Framework, Chapter 11 “Non Energy Effects” -

http://www.calmac.org/events/California_Evaluation_Framework_June_2004.pdf) . The high-level NEBs methods described below are based on standard practices in NEBs evaluation field. LG-specific NEB evaluation plans will be developed jointly by the IOUs and submitted to the CPUC for approval. Once EM&V study is complete, all future contracts will include the following modifiable terms in the contract.}