

Joint Motion for Approval of Proposed Standard Third- Party Contract Terms

Filed: March 19, 2018

Update to CAEECC: 03-23-2018

Standard Terms

Section

Examples of Changes Since CAEECC

Global change: Converted all mentions of "contractor" to "implementer," where appropriate, to distinguish between the implementer of a program and contractors who may be doing work as part of the program.

A	Eligibility (Type of Business, License Requirements, Insurance and Bonding Requirements, Etc.)	No significant changes
B	Safety Requirements	Clarified definition of "covered personnel" Added "to the extent permitted by applicable law" in recognition of new laws governing background checks More specifically defined the types of convictions that would be identified during any background checks
C	Dispute Resolution Process	Added a limit on the number of days within which an agreement must be reached between IOU and Implementer before escalating (30 calendar days)
D	Termination Process	Made termination for cause mutual Increased number of days for written notice for termination for convenience (10 business days to 20 calendar days)

Modifiable Terms

Section	Examples of Changes Since CAEECC
A Workforce Standards and Quality Installation Procedures	<p>Removed table of example certifications</p> <p>Included apprenticeships and CALCTP as examples</p> <p>Clarified process for 3P proposal and IOU approval of appropriate workforce standards in bracketed language</p>
B Progress and Evaluation Metrics	<p>Clarified process for KPI development, reporting, and use</p> <p>Included table of foundational KPIs</p>
C Contract Term/Length	<p>Added clarifying language for contracts requiring CPUC approval</p>
D Diverse and Disadvantaged Business and Employee Terms, Including Small Businesses, if Applicable	<p>Distinguished between diverse business enterprises and disadvantaged workers</p> <p>Encourages implementers to describe how program supports access to career opportunities for disadvantaged workers, and to report that information to IOUs.</p>
E Payment Schedule and Terms, Including Pay-for-Performance Payment Provisions	<p>Emphasized preference for "pay for performance" arrangements</p>

Modifiable Terms

<u>Section</u>	<u>Examples of Changes Since CAEECC</u>
F Measurement and Verification Requirements, including Guidelines about Normalized Metered Energy Consumption (NMEC) Design Requirements	No substantive changes
G Coordination with Other Program Administrators	No substantive changes
H Data Collection and Ownership Requirements	Provided definitions for terms where previously unclear to the extent possible Clarified ownership and use rights to accommodate cases where vendors retain ownership over work products (e.g. software) Upleveled specific requirements for security measures in recognition of the variability of company policies and what may be required for a specific program design.

Disadvantaged Workers

Definition: “Disadvantaged Worker” means a worker that that (1) has a referral from a collaborating community-based organization (CBO), state agency, or workforce investment board; or (2) lives in a ZIP code that is in the top 25% in one or more of the five socioeconomic indicators as defined in the California Office of Environmental Health Hazard Assessment’s CalEnviroScreen Tool. These socioeconomic indicators are educational attainment, housing burden, linguistic isolation, poverty, and unemployment. {Comment: placeholder for Agreement term}.

Proposed Goal, Metric & Target for Disadvantaged Workers

- **Goal:** The IOUs' EE Portfolios will provide disadvantaged workers with improved access to career opportunities in the energy efficiency industry.
- **Metric:** The percentage of applicable Implementation Plans that describe how the proposed program (that directly involves the installation, modification, repair, or maintenance of EE equipment) will provide disadvantaged workers with improved access to career opportunities in the energy efficiency industry.
- **Target:** 40% or more of applicable Implementation Plans, over the duration of the first solicitation cycle to 2022.
- **Rationale for the Target:** The time frame through 2022 was selected because this is the first full cycle of solicitations with the 60% minimum third-party program goal for the energy efficiency portfolios under the new definition. The Joint Utilities recommend that the metric and target be revisited to determine what changes need to be made moving forward as the portfolios mature.