



Home Energy Efficiency Standard Offer Program (HEESOP)

2025 Program Manual

Date: January 14, 2025

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1 INTRODUCTION

Welcome to the 2025 Oncor Home Energy Efficiency Standard Offer Program (HEE SOP). The HEE SOP provides incentives to registered, approved energy efficiency service providers to implement electric energy efficiency projects at Oncor residential customer locations. This program manual is a guide to HEE SOP requirements and processes for our network of participating service providers.

This program complies with the standard offer program requirements published by the Public Utility Commission of Texas (PUCT). This program manual is intended to inform service providers of the program requirements and processes. However, service providers should also review the PUCT rules related to energy efficiency programs and the requirements in the TRM for energy efficiency programs, and are required to comply with such rules and requirements.

This manual summarizes program requirements, processes, and incentives, but may not address all scenarios. Oncor has full discretion to interpret or modify requirements and may revise the manual at any time.

Visit the Oncor Energy Efficiency Program Management (EPPM) tool, available at <https://eepm.oncor.com> access additional registered service provider resources, including service provider applications, incentive applications, savings calculators and project documentation tools, as well as program rules and incentive budget updates.

We are here to help! If you have any questions after reading these materials, please don't hesitate to contact our program help desk at 1.866.258.1874 or via email at EPPMSupport@oncor.com

2 PROGRAM OVERVIEW

The primary objective of the HEE SOP is to achieve cost-effective reduction in energy consumption during peak summer demand. Additionally, the program is designed to:

- Encourage private sector delivery of energy efficiency products and services.
- Achieve customer energy and cost savings.
- Significantly reduce barriers to participation by streamlining program procedures.
- Encourage participation by a wide range of service providers.

2.1 Program Options

The HEE SOP offers two options for serving residential customers:

- The **Residential HEE Single Family Option** offers service providers allocated incentive funding for retrofit (existing) and new construction homes for approved energy efficiency measures of HVAC and insulation projects at single-family residential dwellings, up to and including four-plex buildings.
- The **Residential HEE Multifamily Option** offers service providers allocated incentive funding for approved energy efficiency measures of HVAC and insulation projects in multifamily dwellings that will result in cost-effective energy savings and demand reduction.

2.2 Customer Eligibility

Residential customers living in permanent single-family dwellings and qualified multifamily dwellings with active Oncor service are eligible to have energy efficiency measures installed at their homes as part of the HEE SOP. To be considered permanent, manufactured or mobile homes must have all mobility devices removed.

Single-Family Dwellings

Single-family dwellings are defined as detached single dwelling units, or attached dwelling units within a building containing four residential units or fewer (a four-plex).

Multifamily Dwellings

- Multifamily dwellings are defined as attached dwelling units within a building containing more than four residential units.
- A multifamily project site is defined as one or more multifamily dwelling units located on a single piece of property or adjacent pieces of property, under management or owned by a single party.
- Duplex and triplex units can be considered multifamily dwelling units if they are located on a property—or adjacent properties—and are under management or owned by a single party.

2.3 Energy Efficiency Measures

General Measure Requirements

Service providers may install energy efficiency measure for which a deemed savings value (as noted in the Texas TRM, Volume 12.0), has been provided, including appliances, water heating, lighting, space conditioning and building shell measures installed in qualified residential or multifamily buildings (not all measures are offered in Oncor's programs). In addition to some listed examples in this section, service providers may propose other energy efficiency measures, provided they meet the following requirements:

- Measures must be preapproved by Oncor and offered thru the program option.
- Measures must produce a measurable and verifiable electric demand reduction and/or reduce electricity consumption (an individual energy efficiency measure may produce only demand or energy reduction if that energy efficiency measure is included in a project producing both).
- Measures must produce savings through an increase in energy efficiency or a substitution of another energy source for electricity (provided the substitution results in overall lower energy costs, lower energy consumption and the installation of high efficiency equipment).
- Measures must surpass required state and federal minimum efficiency standards, and meet or exceed installation and efficiency standards provided in the Texas TRM, Version 12.0.
- Measures must meet or exceed minimum equipment standards as provided in this program manual.
- Measures must comply with all requirements of Substantive Rule §25.181, including renewable energy measures.
- Eligible energy efficiency measures do not include repair or maintenance activities or behavioral changes.
- Any energy efficiency measure approved by the PUCT and included in its Residential Standard Offer Program template is eligible for HEE SOP incentives.

As a general rule, energy efficiency measures involving plug loads (equipment or appliances that are plugged into standard electrical outlets) are not permitted.

Examples of Eligible Measures for Single Family

The following are examples of measures that are eligible for the current program incentives:

- Air Infiltration
- Energy Star Windows
- High Efficiency Central Air Conditioning
- High Efficiency Central Heat Pump
- High Efficiency Ground Source Heat Pump
- High Efficiency Mini Split Air Conditioning
- High Efficiency Mini Split Heat Pump
- Insulation: Ceiling, Floor and Wall
- Radiant Barriers

Examples of Eligible Measures for Multi Family

- Air Infiltration
- Energy Star Window
- Insulation: Ceiling and Floor
- Water Heater Pipe Insulation
- Water Heater Tank Installation

Examples of Ineligible Measures

The following measures are ineligible for program incentives:

- Measures that do not raise efficiency above current minimum state and federal standards
- Cogeneration and self-generation projects, except for renewable demand side management (DSM) technologies approved by the PUCT
- Load shifting/load management measures
- Load reductions caused by vacancies
- Measures that rely solely on changes in customer behavior and require no capital investment
- Measures for which incentives were received under another Oncor program
- Repair and maintenance activities
- Energy-efficient gas measures when replacing nonelectric technologies
- Measures that result in negative environmental or health effects
- Water-saving devices such as showerheads and faucet aerators
- Measures that are not installed properly or in accordance with program installation requirements

Additional Requirements

Existing Equipment Must Still Be in Place at the Time of Application

If any of the baseline equipment at a project site has been removed or the proposed energy efficiency measures have already been installed prior to the execution of the HEE SOP addendum, the project, or the affected portions thereof, will be disallowed.

3 INCENTIVES

Oncor agrees to make an incentive payment to the service provider based upon the sum of the verified incentive savings derived from the project. The total incentive payment due to the service provider will be calculated by multiplying the verified kilowatt and kilowatt hour savings by the applicable incentive rate. Service providers will distribute incentives to the applicable host customer. Service providers are only required to describe the value of the incentive they determine to provide to the customer. Please note that the actual dollar amount of the incentive is **NOT** finalized until after the Production Report has been approved.

To **estimate** incentive amounts and savings for your project, use the HEE SOP online incentive calculator, available to registered Service Providers, located in EEPM under “Tools – Residential Incentive Calculator” or the mobile app tool, ZAPture, which is a free app available in the App Store for both iPhones and Androids.

3.1 Program Incentives

The HEE SOP offers a combined 2025 incentive budget for both the Residential HEE Single Family and Multifamily program. Oncor reserves the right to adjust the budget as it deems necessary, in its sole discretion. The amount of the budget can be viewed by approved Service Providers thru their EEPM dashboard.

Project applications (production reports) will be accepted until December 5, 2025, or until all HEE SOP funding for each program option has been exhausted. The status of available funding is available at any time by logging on to EEPM thru your registered service provider account.

Geographic Multiplier

In order to promote energy efficiency activities in all areas of the service area, there will be an additional 15% geographic payment adjustment for all measures completed at sites outside the seven-county Metroplex area. The Metroplex seven-county area includes Dallas, Tarrant, Rockwall, Denton, Ellis, Johnson and Collin counties.

Single Family Program Option Incentives

Allotment Tiers

Service providers participating in the Single-Family Program Option will receive a specified price per kilowatt and kilowatt hour of savings. This standard offer price is the same for all service providers in the Single-Family Program Option. Terms are outlined in the HEE SOP addendum for each service provider.

Each approved service provider can be allotted one of three tier levels of reserved funding, with a reserve up to \$5,000, \$15,000, \$30,000 or \$50,000 for the given production period. Oncor can adjust these allocations based on past Provider performance. Tiers are allocated according to criteria that include:

- Prior year project volume
- Prior year cumulative failure rate (CFR)
- Years of program participation
- Post-inspection results

New companies and returning service providers that experienced high failures may be offered a lower funding tier than the previous year, and can be required to schedule a site visit with an inspector and the program manager to observe the service provider’s work. If the service providers fail to prove their work knowledge and installation of measures during the on-site observation, they will not be allowed to participate in the program. If the service provider passes the on-site observation, the service provider will be subject to additional random post-testing. Any post-testing failures will result in the service provider’s immediate termination from the program.

If a service provider successfully expends their entire allotment, they may request additional funding within their tier. To be considered for additional funding, a service provider must have:

- Number of lockouts is equivalent to 4 or less
- No unresolved customer complaints

Any additional funding will be required to be used by or before December 5, 2025.

Single Family Program Option Funding Allocation and Performance Milestones

The Single-Family Program Option provides a specific allocation of funding for each service provider. Once a service provider has been approved to participate in the Single-Family Program Option, they will be expected to meet monthly performance milestones as presented in the following table as examples:

| Milestones Budget Tier Percentage Rate | \$5,000 | \$15,000 | \$30,000 | \$50,000 |
|--|---------|----------|----------|----------|
| | 90% | 90% | 90% | 90% |
| <ul style="list-style-type: none"> • Initial tier allocations are determined by historical PR volume • Each SP Meeting their milestone can receive their tier allocation amount at the beginning of each month (if funding is available and the SP’s number of lockouts is equivalent to 4 or less) • Any SP not meeting their 90% milestone will lose their remaining funding and be removed • If the SP wants to continue in the program, they can be put in the lowest tier • If the SP misses their milestone in the lowest level of allocation, they can continue participation in the program at the Program Manager’s discretion, as long as funding is available and their number of lockouts is equivalent to 4 or less • SPs can request additional funding via email only from the program manager between milestones if funding is available and the number of lockouts is equivalent to 4 or less once they have submitted 90% of their tier allocation and if needed addressed any failures on any PRs which are in a post-inspection completed status • SPs exceeding their allocation for two consecutive months can be eligible to move to the next higher level of allocation if their number of lockouts is equivalent to 4 or less and funding is available at their request • New SPs will start in at the lowest tier • When overall funding cannot support the monthly allocation, SPs will receive a reduced allocation amount based on their allocation level and email request | | | | |

All Program funding and allocations are subject to Program Manager discretion. The above chart is what can be available depending on total program budget available and the notification by the Provider to the Program Manager. ***It is the responsibility of each Provider to monitor the option budget thru EEPM. The Program Manager is not responsible for notifying the Provider of their remaining budget available or the amount remaining in the program budget.***

Multifamily Program Option Incentives

Incentive funding is made available on a per-project basis. Providers use a bid response spreadsheet to enter project and company information, proposed HVAC unit information and requested incentive amounts. The spreadsheet will calculate and display the proposed project’s cost-effectiveness score. Bidders may use this feature to optimize their proposals to achieve higher cost-effectiveness scores. Proposals with a bid score of less than 1.0 will not be considered.

In addition to cost-effectiveness, Oncor may identify other criteria for project selection such as, but not limited to, geographical location, timeline, previous participation record and other project-related information to help determine final proposal awards. Please contact the Program Manager for additional information.

3.2 Incentive Limits

Service Provider Incentive Limits

Total annual combined incentive payments per service provider, inclusive of its affiliates, are limited to 20% of the total available budget for each option.

Per-Project Incentive Limits

Individual system replacement incentives are capped based on the table below. Weekly production reports are also limited to between \$300 and \$40,000. Individual HVAC system replacement incentives are now calculated at \$/kW and \$/kWh.

Incentive HVAC Caps by Tonnage

| Tonnage | HEE Program |
|---------|-------------|
| 2 | \$2,000 |
| 2.5 | \$2,200 |
| 3 | \$2,600 |
| 3.5 | \$2,900 |
| 4 | \$3,200 |
| 5 | \$3,400 |

3.3 Incentive Payments

For approved measures with deemed savings, Oncor will pay the service provider the incentive payment within 45 days after the date Oncor approves the applicable production report.

Notwithstanding anything to the contrary, Oncor will only make incentive payments to the extent that funding remains available in the applicable HEE SOP option budget at the time the associated production report is received by Oncor.

3.4 Adjustments to Incentives Following Post-Inspections

After on-site inspections are completed, projects will be evaluated on a measure-by-measure basis to calculate any failure(s) adjustment for energy and demand savings and incentives.

In the event the service provider disagrees with the payment adjustment, the service provider may request that all information be reviewed again after additional information is provided by the SP. However, final payment adjustments will be at the sole discretion of Oncor. It is the responsibility of each Provider to provide any photos/documentation needed for Oncor to review per the emails that each Provider receives within the published timeline as inspection failures are reported.

4 PROGRAM OPTIONS

4.1 Weatherization Option

The Weatherization Option offers participating service providers a reserved annual allocation of incentive funding, which they can use to complete energy efficiency projects in single-family dwellings. Service providers commit to monthly production levels and may be able to increase their funding tier level with high performance.

Project Life Cycle

Service providers may submit project applications only after applying to the program and executing an HEE SOP addendum. See Section 5, “How to Participate,” for more information on joining the program as a service provider.

The Weatherization Option documentation for structural measures generally consists of a post-installation production report and supplemental documentation. It is the sole responsibility of the SP to ensure that Oncor receives all required project application materials by close of business on the applicable due date.

Production Period

During the project implementation period (the “production period”), the service provider performs marketing, sales and installation activities, reporting progress on a regular basis to Oncor. Throughout the production period, the service provider may submit production reports for the Single-Family Program Option incentives via EEPM. Work submitted for incentive payment must be completed only during the program production period.

Most weatherization projects for structural measures do not require program preapproval prior to installation. However, preapproval **is** required for wall insulation and floor insulation. Contact your program manager prior to beginning these projects.

Final Documentation for Weatherization Options

Production Report

The primary reporting instrument during the production period is the production report, which serves as an invoice for HEE SOP incentives.

For each installation, the service provider will enter a project into EEPM, providing data, including host customer information, location, account, meter and ESIID, as well as installed measures and associated energy and demand savings and incentive amounts.

Once all data has been entered and reviewed, submit this data to Oncor in the form of an electronic production report generated from the data entered. Incentive amounts are calculated according to functions embedded in EEPM and may not be modified by service providers.

Accompanying Documentation

Production report forms are accompanied by a customer agreement (CA). This document must be completed electronically on official Oncor production report forms. Upload the signed CA and production report summary in EEPM under the "Attachments" tab for each submitted production report.

The CA includes permission for Oncor to inspect installations onsite, which may be required before incentive payments are approved. The CA must be signed by the head of the household or a person listed as the tenant who is over 18 years old, and a copy of the completed CA must be left with the host customer.

4.2 Cooling and Ventilation Option

The Cooling and Ventilation Option offers service providers a reserved annual allocation of incentive funding for qualified HVAC measures installed in single-family residential dwellings only.

Project Life Cycle

Service providers may submit project applications only after applying to the program and executing the HEE SOP addendum. See Section 5, "How to Participate," for more information on joining the program as a service provider.

Below is an outline of the HVAC Option application process from start to finish. Review this section carefully as they apply to all residential cooling and ventilation offer types. It is the sole responsibility of the applicant to ensure that Oncor receives all required project application materials by close of business on the applicable due date.

Production Period

During the project implementation period (the "production period"), the service provider performs marketing, sales and installation activities, reporting progress on a regular basis to Oncor. Throughout the production period, the service provider may submit production reports for the Single-Family Program Option incentives via oncoreepm.com. Work submitted for incentive payment must be completed only during the program production period.

Final Documentation for HVAC Cooling and Ventilation Projects

HVAC Option documentation generally consists of a post-installation production report, electronically signed CA, AHRI certificate, Manual J Load Calculation (if needed depending on unit) and supplemental photos as required.

Production Report

The primary reporting instrument during the production period is the production report, which serves as an invoice for HEE SOP incentives. For each installation, the service provider will enter a project into EEPM, providing data, including host customer information, location, account, meter and ESIID, as well as installed measures and associated energy and demand savings and incentive amounts.

Once all data has been entered and reviewed, submit this data to Oncor in the form of an electronic production report, generated from the data entered. Incentive amounts are calculated according to functions embedded in EEPM and may not be modified by service providers. The production report will be forwarded to the service provider once a project application has been approved.

Only one entry will be allowed when entering customer information and measure data on the open production report in EEPM.

Accompanying Documentation

Production report forms are accompanied by the electronically signed CA, AHRI certificate, Manual J Load Calculations (if needed depending on unit) and supplemental photos as required. These documents must be completed electronically Oncor production report forms. Upload the signed CA and production report summary in EEPM under the “Attachments” tab for each submitted production report.

Production Report Submission Timelines

Service Providers may submit multiple production reports per week. The maximum number of ESI IDs per Production Report is thirty (30). There may be times when a Service Provider may have multiple production reports pending approval for payment. Please note that production reports will be approved in the order of the project submitted date. For example, PR 12345 submitted on 05/24/2025 has completed post inspection with failures. The failures have not been addressed by the Service Provider. PR 67890 submitted on 05/31/2025 has completed post inspection with no failures and is ready to be approved for payment. PR 67890 will not be approved for payment until PR 12345 failures have been addressed and the PR approved for payment. It is the sole responsibility of the Service Provider to address any post inspection failures timely.

4.3 Multifamily HVAC Option

The Multifamily HVAC Project Option allows service providers to propose custom incentives for HVAC projects in multifamily dwellings that will result in cost-effective energy savings and demand reduction. For example, a service provider may propose to replace all in-unit HVAC equipment within an entire apartment building. Service providers obtain Multifamily HVAC Option incentives via a request for proposals (RFP) process that awards funding based on the cost-effectiveness of their proposed projects.

The Multifamily Option offers incentives of up to \$150,000 per project for energy efficiency measures implemented in multifamily dwellings. Incentives are reserved on a first-come, first-served basis subject to important per-service provider limitations.

Multifamily Option Service Provider Requirements

Only service providers who have successfully participated in the HEE SOP for a minimum of one year and the number of lockouts is equivalent to 4 or less are eligible to participate in the Multifamily Option.

Project Life Cycle

Service providers may submit project applications only after applying to the program and executing the HEE SOP addendum. See Section 5, "How to Participate," for more information on joining the program as a service provider.

It is the sole responsibility of the applicant to ensure that Oncor receives all required project application materials by close of business on the applicable due date. Service providers will be eligible to submit one Multifamily Option HEE SOP application at a time.

Below is an outline of the Multifamily Option application process from start to finish:

Step 1 Pre-application Preparation

Prior to beginning an incentive application, the service provider should take the following steps:

- i. Validate with the property owner or manager that the property is eligible for the program.
- ii. Validate that each property unit is individually metered and obtain ESIIDs or meter numbers for entry into the initial application ("IA").
- iii. Obtain a signed Customer Agreement ("CA") from the property owner or manager to submit with the IA.
- iv. Conduct pretests on each eligible floor plan to select and assign measures to each valid ESIID within the IA.

Once this initial project preparation is complete, service providers must submit their project as a single Multifamily Option HEE SOP application that includes all multifamily units at the site.

Step 2 Initial Application

The service provider must create an IA that includes all the ESIIDs within the project site.

Measures planned for the project should be entered for each ESIID in EEPM; the system will estimate the incentives and savings for the project, and the estimated funds will be reserved for the project. Energy efficiency measure installation and savings information should be provided by customer type (standard residential). Estimated counts should be as accurate as possible in order to block the correct incentive.

Each IA will be time-stamped and processed in the order submitted by the service provider. ESIIDs will be checked against the EEPM duplicate database to determine if the ESIID is eligible for the project. There may be cases where some ESIIDs are not eligible for the project within the same multifamily complex.

A service provider may not substitute project sites once its application has been submitted.

Step 3 Pre-inspection

Upon submission of the IA in EEPM, a pre-inspection will be performed on the project. Once the pre-inspection is complete, the program manager will contact the service provider to discuss the pre-inspection results. If the pre-inspection reflects any discrepancies from the original IA submitted, it will be rejected and sent back to the service provider to make adjustments. The service provider can resubmit the IA after making the appropriate adjustments.

Step 4 IA

After the project is approved by the program manager, the project will continue in IA phase, or the "production period." The production period for the Multifamily Option is 45 days, beginning from preapproval. Service providers must complete their projects within the 45-day production period or by November 15, 2024, whichever is earlier. Work submitted for incentive payment must be completed only during the program production period.

Only during this step, the service provider may request to exclude any sites which were unable to conduct energy efficiency measure.

Step 5 IN Open

A copy of a multifamily reservation of funds agreement will be generated in EEPM representing the project's kilowatt and kilowatt hour savings and incentive amount. The reservation of funds agreement will need to be signed by the service provider and submitted along with a signed copy of the CA, both of which must then be sent to the program manager for Oncor approval. Once the reservation of funds agreement is approved, the program manager will approve the project in EEPM.

The service provider must enter all the final measure details of the post-installed measures into the IN Open.

Installation Notice and Production Report

Following installation, the service provider Final requested incentives will never exceed the preapproved, reserved amount. If final requested incentives are less than the reserved amount, no new reservation of funds agreement will be executed reflecting the revised incentive amount and remaining funds will be released to fund other projects or HEE SOPs. No new ESIIDs or measures can be added to the production report. Should a service provider delete individual ESIIDs, they will not have the option to increase other measures in an effort to obtain the original reserved amount.

The production report must be submitted electronically by the last day of the production period. Once the production period for a project is over, service providers will not have access to enter additional data into the production report for such project

Copies and Required Signatures

An electronically signed copy of the production report for the project, along with required supporting documentation, must be uploaded in EEPM as part of the submittal of the electronic version of the production report. In addition to the production report, the service provider should upload signed, completed for the host customer. Among other things, the CA provides Oncor with permission to inspect installations, which may be required before incentive payments are approved. The CA must be signed by the apartment owner or authorized property manager, and a copy of the completed CA must be left with the host customer.

Only complete production reports will be accepted and processed. Oncor considers a production report complete when all energy efficiency measures that were proposed in the approved project application have been installed and all required support documentation, including the CA, have been submitted by the service provider and received by Oncor. All installations proposed in the approved project application for a site must be installed before submitting the production report.

Incomplete or inaccurate documentation may result in the entire production report being returned without processing to the service provider.

Once the complete production report is received, the program manager will review and, if approved, conduct a post-inspection. After the inspector completes the final inspection, the results will be reviewed and approved by the program manager.

Submitting additional projects

A service provider can choose to submit another pre-IA once the previous project is submitted into the IN phase, if a) funding is available, b) total of all projects is under the funding cap, and c) there is enough time to complete the project.

Other Multifamily Option Guidelines

Security Deposit Requirements

Applicants requesting Multifamily Option incentives are generally not required to submit a security deposit. However, if a service provider fails to complete a project by the required deadline or fails to meet proposed savings and incentives in the current year or any previous program year, Oncor will require a security deposit on all future project applications submitted within the Multifamily Option.

For more information on how to participate in the Multifamily Implementer Option, contact the HEE SOP program manager.

5 HOW TO PARTICIPATE

5.1 Service Provider Eligibility and Requirements

Eligibility by Program Option

All first-time service providers may apply to participate in the Single-Family Option. Service providers must complete one successful year of participation in the HEE SOP and have a CFR of less than 10% prior to applying to participate in the Multifamily Option. Multifamily HVAC incentives are awarded on a project-by-project basis.

Oncor reserves the right to waive any eligibility requirements on a case-by-case basis in its sole discretion.

Registering as a Service Provider

To participate in the HEE SOP as a service provider, each contractor must:

- Register in EEPM.
- Enter into the umbrella contract.

For each option you select to participate in, you must also:

- Apply to and be accepted to participate in selected HEE SOP project options.
- Execute the HEE SOP addendum with Oncor to participate in the program.

Join EEPM and Sign Umbrella Contract

First-time service providers must first create an account within EEPM to be eligible to participate in the HEE SOP. Service providers must complete the profile level information in EEPM and sign the umbrella contract required to register in EEPM. These activities enable service providers to access the program application but do not guarantee acceptance into the program or any individual options.

Request Association with the Home Energy Efficiency Standard Offer Program

Once registered within EEPM, the service provider will then need to contact the EEPM help desk at 866.258.1874 to associate with the HEE SOP. Once association has been completed, the service provider will log into EEPM to view the HEE SOP option.

Complete the Home Energy Efficiency Standard Offer Program Addendum

The service provider will then complete the program addendum in EEPM and upload the executed document under the "Attachments" tab. Oncor will not entertain proposed modifications to this document unless unique circumstances merit and require revision, at the sole discretion of Oncor.

Service providers that participated in previous years will not be required to execute an umbrella contract or program addendum unless otherwise noted.

Submit a Service Provider Program Application

Companies wanting to participate in the 2025 HEE residential programs will be required to submit a program application in EEPM for each HEE project option in which they intend to participate.

Additional Required Documentation

The following supplemental information should also be provided with your HEE SOP application:

Employee Information and Training

Employees, managers, owners or any individual who is associated with the application should be included in the "Employee" tab of your application in EEPM. Under each employee's name, service providers should upload copies of up-to-date training certificates, licenses or rater certificates.

Proof of Insurance

Service providers must provide a copy of their required insurance Association for Cooperative Operations Research and Development (ACORD) certificate to demonstrate they meet the required minimum insurance levels to participate in the program. **ALL insurance ACORD certificates should be emailed to eepminsurance@oncor.com by the insurance agent.**

Licensing and Observations for Air Infiltration and HVAC Service Providers

Service providers who intend to perform air infiltration measures must also pass an on-site observation to prove their ability to perform high quality pre and post blower door tests. At Oncor's discretion, the service provider may be asked to provide the model number, serial number and proof of the last calibration date for equipment including, but not limited to, the blower door, duct blaster and associated manometer.

Service Provider Application Revisions

Applications that have been reviewed by an Oncor program manager may be revised by a service provider no more than ONE TIME for corrections or supplemental information. If an application is submitted in error and the Oncor program manager is notified prior to their review, it may be revised by the service provider without penalty.

Service Provider Selection Criteria

Oncor requires applicants to demonstrate their financial, technical and managerial qualifications as part of the application process to help ensure that the proposed projects will be successful in delivering the estimated energy savings and the applicant is committed to fulfilling program objectives and is competent to complete the proposed project.

Oncor will review each application using quantifiable criteria such as the previous program year CFR, production report volume, historical data, and any previous lockouts or customer complaints, with the goal of responding to each application within 10 business days of submission. Companies that fail to meet the criteria for high quality service providers will not be approved to participate in the 2025 HEE SOP.

New companies and returning service providers that have experienced high failure rates and/or post-testing issues will have the opportunity to apply for the Single-Family Option or Multifamily Option.

Oncor may, in its sole discretion, refuse to allow a service provider to participate in the HEE SOP for any reason, including prior program participation or participation in other programs.

Service Provider Interview Option

Interviews can be required for first time applicants or at the request and discretion of Oncor. Service providers that meet the minimum application criteria can be contacted to schedule an interview. The interview will be used to verify application information and gain insight into the service provider's company, business models, management and technical expertise. During the interview, service providers are expected to prepare a short presentation and address follow up questions.

The presentation should include the minimum following content:

- The company's management structure.
- The business model that is used by the company.
- The marketing plan that will be used by the service provider.
- Long term company plans (i.e., 5 to 10 years from now).

6 GENERAL PROJECT AND APPLICATION GUIDELINES

In addition to the application processes described within each project option section, the following general application guidelines apply to all HEE SOP projects.

6.1 Customer Copies and Leave-Behind Materials

Customer Agreements

A copy of the completed customer agreement (CA) must be left with each host customer. This can be accomplished by emailing a copy or printing a hard copy for these documents. The CA may not

be altered except for incorporation within a service provider letterhead with preapproval.

Customer Disclosure Notice Forms

Customers must receive a hard copy of the Customer Disclosure Notice Form. A sample of this document is available on the “Resources” page in EEPM.

Oncor Energy Efficiency Tips Brochure

Customers must receive a hard copy of this brochure. Brochures can be ordered online in quantities of 200 for \$28.50 per order or an English/Spanish combo pack of 300 brochures for \$28.50 per order. To order, visit: [Oncor E-Store](#).

6.2 Application Copies

All copies of applications, including supplemental documentation as required by each project option, must be uploaded in EEPM as required.

It is the sole responsibility of the applicant to ensure that Oncor receives all required project application materials by close of business on the applicable due date.

6.3 Application Corrections

Customer Account Errors

If errors related to customer information within submitted paperwork are found by the program reviewer, the following process will be used for resolution:

- The service provider will receive an email generated from EEPM and located on the “Comment” tab listing the customer’s name(s) which have an error.
- The service provider will have three business days to contact the EEPM help desk to request the customer(s) be excluded.
- Once the customer(s) are excluded, the service provider will receive an EEPM generated email confirming the exclusion.
- The service provider must electronically sign a new production report summary, and resubmit the production report in EEPM within three days.

Production Report Changes

Should changes be required to a submitted production report, the service provider must contact the EEPM help desk via email or phone to submit a ticket for the requested changes. Service providers will be required to provide the reason(s) for the request.

6.4 Waitlisted Projects

If the program allows, projects can be waitlisted once all program funding has been reserved. As additional funding becomes available, the funds will be reserved for projects on the waitlist in the order they are submitted. Should a project be waitlisted, the service provider should not proceed with the project until notified by Oncor that funding has become available, all required paperwork has been completed and the project has passed pre-inspection if necessary.

6.5 Subcontracting Policies

Service providers may utilize subcontractors for Single Family and Multifamily Options. In addition, service providers participating in any HEE Option may subcontract to a Multifamily HVAC Option service provider.

NO ONCOR EMPLOYEE INVOLVEMENT WITH SERVICE PROVIDER

Service Providers must report to the Program Manager any known relationships it has with Oncor employees. No Oncor employee or family member of an Oncor employee may hold 10% or more of the voting ownership interests, either direct or indirect, in any Service Provider's company that participates in the Program. In addition, no Service Provider may employ as an executive officer or other policy-making employee, or retain as an independent contractor or consultant, any Oncor employee involved in decision making with respect to the Program.

7 PROJECT APPROVAL

7.1 Project Evaluation Criteria

Oncor may reject a project application for any reason in its sole discretion and is not required to supply any explanation for such rejection. Reasons for rejection may include, but are not limited to, the following:

- The project application is received after the budget for that option has been fully committed.
- The applicant's proposed production period cannot reasonably be expected to be completed by December 5, 2025.
- Required submittals are not received by deadlines stated in this program manual.
- The applicant fails to meet HEE SOP eligibility requirements.
- The applicant is found to have made material misrepresentations in the project application or on submitted documentation.
- The applicant fails to comply with applicable federal, state, and local laws and regulations.
- Oncor determines, based on information concerning the applicant or its affiliate(s), including any prior performance of the applicant or its affiliate(s) concerning energy efficiency programs that the applicant is unlikely to be able to successfully participate in the HEE SOP.
- Changes in laws or regulations occur that directly affect HEE SOP.
- Prior participation in the HEE SOP or low-income weatherization program resulted in a CFR of greater than 10%.
- Oncor, in its sole judgment, determines that the applicant is incapable of fulfilling the terms and conditions of the HEE SOP, the HEE SOP addendum or the umbrella contract.

Oncor may request clarification of, or additional information about, any item submitted as part of the project application. Applicants must respond to such requests within the time period specified by Oncor. If the clarification or additional information provided is not sufficiently responsive, Oncor may, in its sole discretion, request additional information or discontinue its evaluation of the submittal. Any applicant submitting an unsuccessful application may reapply for project funding by submitting another application. However, the applicant will lose its initial position in the order of submittal for budget reservation purposes, if applicable.

COMPLIANCE WITH PROGRAM REQUIREMENTS

SERVICE PROVIDER REQUIREMENTS

By executing the HEE SOP Program Addendum, the Service Provider warrants and represents that it is aware of and complies with all terms and conditions of the Contract Documents. The Service Provider also warrants and represents that it meets or exceeds all of the following qualifications required by Oncor for participation in the HEE SOP:

- Possesses and can demonstrate experience in implementing similar Projects.
- Can produce evidence of company existence for two years or prior participation experience in the HEE SOP.

- Can produce evidence of possession of all applicable licenses required under state law and local building codes including current TDLR HVAC license.
- Can produce evidence of possession of all building permits required by governing jurisdictions.
- Can produce the proof of insurance required as required by Oncor.

PROJECT REQUIREMENTS

Service Provider warrants and represents that the Project meets all applicable federal, state, and local laws and regulatory requirements, including:

- The Project will result in energy savings and peak demand savings and a reduction in energy costs for the end-use customer.
- The Project will result in consistent and predictable energy savings and peak demand savings over the expected Measure life.
- The Project Application discloses all potential adverse environmental or health effects associated with the Measures to be installed, if any.
- The Project includes appropriate and adequate measurement, verification, and reporting procedures.
- Service Provider will comply with the customer protection requirements in PUCT Substantive Rule §25.181(u) while implementing the Project.
- Measures installed pursuant to the Project would not be installed even in the absence of the Project.
- The Project does not result in negative environmental or health effects, including effects that result from improper disposal of equipment and materials.
- The project does not involve the installation of self-generation or cogeneration equipment, but may involve renewable Demand Side Management technologies.

7.2 Inspections

Scheduling Inspections

During the review process, Oncor or its designated agent will perform inspections of a random sample of a statistically representative number of project sites to determine if energy efficiency measures have been installed properly and perform their intended functions. The service provider may be required to be on-site during the inspection.

Should Oncor not be able to contact a host customer after three repeated attempts, the service provider will be contacted and required to schedule the inspection at a time that is convenient to Oncor and the host customer.

Service providers must make every effort to obtain an active email address and a working phone number for each site. Should a contact number not be available, then the service provider must enter its number as the host customer's number. The service provider will be required to schedule the inspection appointment for a time that is convenient for the host customer and Oncor.

Inspection Criteria

All energy efficiency measures installed in the HEE SOP must conform to or exceed the standards listed in the Texas TRM, Version 12.0. Oncor may require additional requirements to meet the inspection requirements. If energy efficiency measures installed do not meet these standards, they will not be eligible for incentives. Service providers will not be allowed to correct installation of energy efficiency measures for the purpose of receiving incentive payments unless specifically allowed to do so by Oncor, in its sole discretion.

Oncor reserves the right to reject any installed energy efficiency measure for any of the following reasons in its discretion:

- Poor workmanship.
- Service provider or host customer modification to the installed measure.
- Lack of Underwriters Laboratories (UL) listing.
- Measure not operating correctly.
- Measure or its installation poses a safety hazard.
- Measure or its installation poses an environmental hazard.
- Non-permissible access for verification for installed measures.
- Measure does not comply with local or state building codes or standards listed in the TRM.
- Measure does not comply with National Electric Code or National Electric Safety Code.
- Failure to comply with Oncor HEE SOP requirements or any applicable laws or regulations.

Air infiltration measures are also subject to testing by Oncor. For duct measures, should Oncor's test reveal the air flow, measured in cubic feet per minute (CFM), is not within 10% of the post-tested CFM, the measure is subject to failure.

8 IMPORTANT PROGRAM DATES AND DEADLINES

Service Provider Applications

Service providers may apply to participate in HEE SOP until July 1, 2025. In addition, qualified HVAC companies may continue to apply beyond this date. The program manager may allow new submittals outside of this deadline on a case-by-case review as needed by the program.

Project Submission Dates

Single Family and Multifamily Options: EEPM will accept production reports for projects beginning Wednesday, January 22, 2025 at 10 a.m. CST until December 5, 2024, at 6:00 PM or whenever funding is exhausted.

9 QUALITY CONTROL AND DISCIPLINARY PROCEDURES

Service provider performance is evaluated and monitored for quality assurance throughout the course of the program.

9.1 Cumulative Failure Rate

A service provider's CFR is monitored to maintain high program quality standards. Each service provider's CFR is updated after every project they complete. Failures are calculated by a numerical amount instead of a percentage amount. Multiple failure types on a single ESI ID will count as one (1) failure. After three (3) failures Service Provider will be placed in lockout for fifteen (15) business days. Once lockout term has been met, the service provider will be unlocked and funding allocation will be reduced.

CFR = (Total Adjusted Incentive Dollars for Failed Inspected Measures ÷ Total Requested Incentive Dollars for Inspected Measures) x 100

Example:

| | |
|--|----------|
| Total Adjusted Incentive Dollars for Failed Inspected Measures | \$500 |
| Total Requested Incentive Dollars for Inspected Measures | \$10,000 |
| $(\$500 \div \$10,000) \times 100$ | CFR = 5% |

9.2 Service Provider Lockouts

If a service provider's inspection CFR exceeds 10%, the service provider can be subject to a lockout and, as such, not allowed to submit any additional projects. Oncor may also terminate the HEE SOP addendum and any other addendums in which the service provider participates. Please refer to Section 9, "Quality Control and Disciplinary Procedures," for a list of potential actions related to failure rates.

9.3 Termination of Service Provider Agreements

Oncor may terminate any or all HEE SOP addendums or umbrella contracts in whole or in part, at any time, at its sole discretion, by providing written notice of termination to the service provider. The notice of termination will specify the effective date of any termination, and that the HEE SOP addendum or umbrella contract is terminated in its entirety. Termination may result from unacceptable performance, either during current or past HEE SOPs. Please review the HEE SOP addendum and umbrella contract for additional details.

Oncor may terminate based on: 1) quality of work; 2) submission of false or misleading information; 3) unapproved changes to the service provider staff; 4) negative customer feedback; 5) unethical conduct; 6) changes in service provider standings with other utilities or agencies; 7) falsification of air flow rate pretesting or post-testing; or 8) other issues identified by Oncor.

In the event that Oncor terminates an umbrella contract and program addendum, the service provider will finish any project already commenced that cannot be discontinued without breaching the CA. Oncor will have no obligations with respect to any contractual obligations entered into between the host customer and service provider after the service provider's receipt of Oncor's notice of termination.

In the event that Oncor terminates an umbrella contract and program addendum prior to completion of a project, a customer's only liability will be to pay the service provider the unpaid balance due for that portion of the project commenced and that cannot be discontinued without breaching the CA; notwithstanding the foregoing, however, the customer shall not be required to pay the service provider for any portion of a project that the customer determines was not completed in compliance with the terms and conditions set forth in the manual.

9.4 Actions for Current Year Quality Issues

The HEE SOP employs a "three strike" system for service providers with quality issues or the number of lockouts which surpasses four (4).

The following outline explains the potential actions Oncor generally takes once a service provider reaches a cumulative failure rate of 10% or fails to follow program requirements. Oncor does not by virtue of this outline waive any of its rights under any of its agreements with any service provider including, but not limited to, the right to terminate for any or no reason.

The three-strike system phases, and examples of failures by measure type, are outlined in the tables that follow.

Three-Strike System Phases

| Examples of Failure | Proposed Action Taken by Program Manager with Service Provider | Time Frame of Lockout |
|---|---|--|
| Strike 1: Customer Not Impacted | | |
| <ul style="list-style-type: none"> • Reporting errors, including paperwork errors and/or EEPM system input errors. • CFR reaches 10% or greater. • Number of lockouts is equivalent to 4 or less. • Not meeting inspection requests and/or schedule times. • Use of employees/workers not disclosed on the service provider profile employee tab. • Failures will be classified as “Quality” or “Data” entry | <ul style="list-style-type: none"> • Conference call via phone or webex with SP. • Discuss with SP workable solution to correct issues • Follow up email sent to SP reiterating agreeable workable solutions discussed via conference call • Documentation placed in SP’s file | <ul style="list-style-type: none"> • After three (3) failures, SP will be placed in lockout for 15 business days and SP must present written emailed action plan outlining steps taken to stop/correct failures. • After completing the 15 business days lockout period the SP will be unlocked and can resume work until any future PR contains a failure. • If number of lockouts is 4 or more, Program Manager will conduct site visit and meet with SP personally |
| Examples of Failure | Proposed Action Taken by Program Manager with Service Provider | Time Frame of Lockout |
| Strike 2: Customer Impacted | | |
| <ul style="list-style-type: none"> • Installation/performance/work related /Inspection failures and customer complaints. • Unauthorized use of Oncor in any service provider created marketing materials. Service provider uses Oncor website to submit/report manufactured ratings/comments for themselves and/or other service providers. • Use of marketing companies without disclosure as subcontractor. • Note: If SP repeats and/or continues offenses that have been documented from prior years in either program, then recommendation will be made for service provider to move to Strike 3. (Examples include pre- and post-testing and other required program standards.) | <ul style="list-style-type: none"> • Meet with service provider to explain failures and possible causes. Discuss appropriate actions that SP should take to eliminate these failures. • Impose a two-month lockout period to allow the SP time to address the areas that have caused the failures and have service provider develop an action plan to present after the lockout period. • Meet with SP after two-month period to review the action plan from the service provider. If plan is acceptable, service provider is unlocked. • Should failures continue after service provider is unlocked the first time, PM will notify SP that they will be placed back into lockout for the remainder of the year. | <ul style="list-style-type: none"> • SP is locked out for a minimum of two months. No work can be done or production reports accepted during the two-month lockout period. After two-month lockout period is completed, the service provider can resume work until any future production report contains a failure. This is subject to available funding in either program. • Should failures continue after service provider is unlocked the first time, PM will notify service provider that they will be placed back into lockout for the remainder of the program year. • Repeated occurrences could result in SP termination from the program. |
| Examples of Failure | Proposed Action Taken by Program Manager with Service Provider | Time Frame of Lockout |
| Strike 3: Inexplicable Offenses | | |

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| <ul style="list-style-type: none"> • Fraud-related failures. • Creating and/or exposing a customer(s) to an unsafe condition(s). • Noncompliance to any prior corrective actions. | <ul style="list-style-type: none"> • Meet/counsel with SP to explain failures and explore the reasons the offense(s) may have occurred. • Describe offenses for management and obtain approval to proceed with termination. • Create termination letter and have legal review and approve. | <ul style="list-style-type: none"> • SP is locked out immediately and terminated in system once management and legal approve. • Termination letter is sent to SP and umbrella contract is canceled. • SP should be terminated in EEPM and not allowed to participate in any current and/or future Oncor energy efficiency programs. |
|--|---|--|

Strike Examples by Measure Type

| Measure Description | Strike 1 Examples | Strike 2 Examples | Strike 3 Examples |
|------------------------------|---|--|--|
| HVAC | <ul style="list-style-type: none"> • Wrong serial and/or model numbers reported. • Wrong size of equipment reported. • Missing/wrong photos • Wrong heating system type reported | <ul style="list-style-type: none"> • Equipment reported installed is different from actual installed equipment. • Valid customer complaint. | <ul style="list-style-type: none"> • Multiple and repeated offenses occur. • SP turns in house(s) with no installed equipment. • SP impacted the customer and/or the program in an egregious manner |
| Ceiling Insulation | <ul style="list-style-type: none"> • Wrong heating system type reported. • Wrong square footage reported. • Pre- and/or post-insulation levels are different from what is reported on paperwork but actual install is OK. | <ul style="list-style-type: none"> • Sloppy and/or incomplete work. • Pre- and/or post-insulation levels are different from what is reported. • Valid customer complaint. • Square footage is reported wrong more than one time. | <ul style="list-style-type: none"> • Multiple and repeated offenses occur. • SP turns in house(s) that have not had insulation installed. • SP impacted the customer and/or the program in an egregious manner. |
| Wall/Floor Insulation | <ul style="list-style-type: none"> • No pre-inspection was possible. • Wrong heating system type reported. • Wrong square footage reported. • Pre- and/or post-insulation levels are different from what is reported on paperwork but actual install is OK. | <ul style="list-style-type: none"> • No pre-inspection was possible multiple times. • Pre- and/or post-insulation levels are different from what is reported. • Sloppy and/or incomplete work. • Valid customer complaint. • Square footage is reported wrong more than one time. | <ul style="list-style-type: none"> • Multiple and repeated offenses occur. • SP turns in house(s) that have not had insulation installed. • SP impacted the customer and/or the program in an egregious manner. |
| Radiant Barrier | <ul style="list-style-type: none"> • No pre-inspection was possible. • Wrong heating system type reported. • Wrong square footage reported. • Pre- and/or post- | <ul style="list-style-type: none"> • No pre-inspection was possible multiple times. • Pre- and/or post-insulation levels are different from what is reported. • Sloppy and/or | <ul style="list-style-type: none"> • Multiple and repeated offenses occur. • SP turns in house(s) that have not had insulation installed. • SP impacted the customer and/or the |

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| | insulation levels are different from what is reported on paperwork but actual install is OK. | incomplete work. <ul style="list-style-type: none"> Valid customer complaint. Square footage is reported wrong more than one time | program in an egregious manner. |
| Air Infiltration | <ul style="list-style-type: none"> Wrong heating system type reported. Wrong square footage reported. Number of systems reported wrong. | <ul style="list-style-type: none"> Work reported not completed (weather stripping, caulking, gaskets, etc.). Sloppy and/or incomplete work. Valid customer complaint. Program installation requirements are not met. Minimum ventilation rate is compromised. Post testing failures. | <ul style="list-style-type: none"> Multiple and repeated offenses occur. No pre- or post-testing done. Oncor inspection shows greater than 10% difference in post-test reported numbers. Service provider turns in houses that have not been treated. Service provider impacted the customer and/or the program in an egregious manner. |
| ENERGY STAR® Windows | <ul style="list-style-type: none"> Wrong square footage and/or incorrect number reported. | <ul style="list-style-type: none"> Windows reported installed are different from actual windows installed. Windows installed are not ENERGY STAR-rated. Reported square footage is different from actual square footage. Valid customer complaint. | <ul style="list-style-type: none"> Multiple and repeated offenses occur. Service provider turns in houses that have not had windows installed. Service provider impacted the customer and/or the program in an egregious manner. |
| Water Heater Jackets | <ul style="list-style-type: none"> Wrong number of jackets reported. | <ul style="list-style-type: none"> Nonapproved or substandard jacket is installed. Number reported installed is different from actual number installed. Valid customer complaint. | <ul style="list-style-type: none"> Multiple and repeated offenses occur. Service provider turns in house(s) that have not had jackets installed. Service provider impacted the customer and/or the program in an egregious manner. |
| Water Heater Pipe Insulation | <ul style="list-style-type: none"> Wrong number of water heater pipe insulation reported. | <ul style="list-style-type: none"> Nonapproved or substandard materials are installed. Number reported installed is different from actual number installed. Valid customer complaint. | <ul style="list-style-type: none"> Multiple and repeated offenses occur. Service provider turns in house(s) that have not had water heater pipe insulation installed. Service provider impacted the customer and/or the program in an egregious manner. |
| CO Procedures | <ul style="list-style-type: none"> Failure to report CO readings on paperwork. | <ul style="list-style-type: none"> Failure to report gas equipment and CO readings. | <ul style="list-style-type: none"> Reporting higher than allowed CO readings and installing energy |

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| | | | efficiency measures that decrease the minimum ventilation rate. |
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Definitions and Acronyms:

| | |
|--------------|---|
| Egregious | conspicuously and outrageously bad or reprehensible |
| Failure rate | cumulative lockout failure rate calculation is as stated below: (Total Adjusted Incentive Dollars for Failed Inspected Measures ÷ Total Requested Incentive Dollars for Inspected Measures) X 100) |
| Inexpiable | incapable of being atoned for |
| EEPM | energy efficiency program management |
| HEE | home energy efficiency |
| LIW | low-income weatherization |
| PM | program manager |
| PR | production report |
| SP | service provider |

Oncor may terminate based on: 1) quality of work; 2) submission of false or misleading information; 3) unapproved changes to the service provider staff; 4) negative customer feedback; 5) unethical conduct; 6) changes in service provider standings with other utilities or agencies; 7) falsification of air flow rate pre-testing or post-testing; or 8) other issues identified by Oncor.

9.5 Impact of Prior-Year Performance

Performance during prior years is considered in service provider management. The table below provides examples of the actions that can be taken by the program manager if a service provider with past performance issues applies to participate in a residential energy efficiency program. All exceptions will be reviewed at the discretion of Oncor.

Impacts of Past Performance

| Applicant Issue | Program Action | Comments |
|---|--|---|
| CFR is greater than 10% or insurance was discontinued | Lockout for the current program year | Service provider shall develop a plan of action to address failures/issues, to be presented when applying to participate during the following program year. Potential modifications may be considered based on the cause of the past failures: <ul style="list-style-type: none"> • CFR due to paperwork: one-month lockout period. • CFR due to inferior work: three-month lockout period. |
| CFR is greater than 5% but less than 10% | One-month lockout period following approval date | Lockout period is subject to adjustment, based on the cause of the CFR. |

| | | |
|---|--|---|
| Issues identified during internal compliance audit, including no retention of paperwork or lack of employee background checks | Three-month lockout period | Lockout period will vary based on issue discovered during audit. |
| Service provider had a "Strike 1" status at the end of the prior program year | One-month lockout period following approval date | Lockout period is subject to adjustment, based on the cause of the CFR: <ul style="list-style-type: none"> • Five paperwork errors will result in service provider lockout. • Lockout will not be waived for failures due to work quality. • Lockout will not be waived in the case of other issues outlined in the Strike 3 Policy. |
| Service provider had a "Strike 2" status at the end of the prior program year | Two-month lockout period following approval date | Lockout period is subject to adjustment, based on the cause of the CFR: <ul style="list-style-type: none"> • Five paperwork errors will result in service provider lockout. • Lockout will not be waived for failures due to work quality. • Lockout will not be waived in the case of other issues outlined in the Strike 3 Policy. |

9.6 Audit and Records

According to Texas Business and Commerce Code §35.48, businesses that dispose of records containing personal information must destroy or modify the record through shredding of other means that renders the information unreadable.

Personal information consists of the customer's name and any one of the following:

- Customer identification number (premise number, meter number, and/or ESIIID)
- Social Security number (or government identification number)
- Driver's license number
- Address (physical or mailing)

9.7 PERMITS, LICENSES, AND COMPLIANCE WITH LAW

- SP represents and warrants that prior to beginning installation of any Measures, it will obtain, at its own cost and expense, all permits, licenses, and other authorizations from governmental authorities in its business name as then may be required to install, construct, operate, and maintain the Measures and to perform its obligations hereunder. During the term hereof, SP will obtain all such additional governmental permits, licenses, and other authorizations when required with respect to any of the Measures. If requested by Oncor, SP shall furnish to Oncor copies of each such permit, license, or other approval promptly following receipt thereof. Service Provider shall maintain in full force and effect all such governmental permits, licenses, and other authorizations as may be necessary for the construction, operation, or maintenance of the Measures in accordance herewith.

- SP shall be responsible for all royalties, fees, or claims for any licensed, copyrighted, or similarly protected intellectual property, device, process, or procedure used, installed, or provided by it. SP shall defend any suit that may be brought against Oncor and shall hold Oncor harmless from any liability, damages, and costs, including without limitation attorney's fees, incurred by Oncor arising from or related to infringement or alleged infringement of any such intellectual property used by SP in the implementation of the Project.
- All Work performed by SP in connection with the implementation of the Project and all Measures installed or maintained by SP shall comply with all applicable laws, statutes, ordinances, rules, regulations, and decrees of any governmental or administrative body having jurisdiction over Oncor, SP, the HEE SOP, or any portion of the Project.
- Prior to entering any Project Site or beginning the installation of any Measures, SP will obtain, at its own cost and expense, criminal history background check(s) of its employees, vendors or agents if required to do so by Sections 145.001-145.003 of the Texas Civil Practice and Remedies Code. Background checks are acceptable only when performed through the Texas Department of Public Safety (TDPS) program or an approved vendor of the TDPS. SP acknowledges and agrees that its participation in the Program and execution of the HEE SOP Program Addendum serves as Oncor's request in accordance with Section 145.004 of the Texas Civil Practice and Remedies Code that SP obtain criminal history background checks of its employees, vendors, and agents. SP also acknowledges that it received this request prior to sending any persons to Project Sites to install Measures.

INDEPENDENT CONTRACTOR

- SP will act as and be deemed to be an independent contractor. SP will not act as, nor be deemed to be, an agent or employee of Oncor. SP will have the sole right to control and directly supervise the method, manner, and details of the Project providing it is in accordance with the Contract Documents.

9.8 Co-Branding Guidelines

- SP will act as and be deemed to be an independent contractor. SP will not act as, nor be deemed to be, an agent or employee of Oncor. Service Provider will have the sole right to control and directly supervise the method, manner, and details of the Project, providing it is in accordance with the Contract Documents.
- SP may not represent themselves as Oncor employees in the field, nor should they communicate in any way that they work on behalf of Oncor. Oncor does not endorse any SP; therefore, written or verbal communication implying an endorsement is prohibited. Any reference to Oncor programs by SP should clearly state that the SP is a participant in Oncor's programs. Service Providers participating in programs will be listed on www.takealoadoftexas.com.
- Following is sample language SP can use when communicating their relationship with Oncor:
George's Energy Solutions is an approved participating service provider in Oncor's Home Energy Efficiency Standard Offer Program. Through this program, we are able to install energy efficiency upgrades to help our customers reduce energy consumption.

10 INSTALLATION MEASURE GUIDELINES

Air Conditioning and Heat Pump Systems

Installation must meet the following guidelines:

- A photo of **both** existing **and** new condensers will be required for **every** measure submitted
- A photo should be taken **prior** to the removal of the existing unit **and after** installation for the new unit is completed.
- The model and serial numbers for both the existing and new units will be required entries in EEPM when submitting these measures along with photos of both the existing and new unit nameplate.
- A photo on the new installed condenser unit should be taken from a distance showing that the connection/installation is complete.
- A copy of the AHRI sheet is required for each newly installed system.
- Photos **must be** in color. Black and white photos **will not** be accepted.

Wall Insulation

Installation must meet the following guidelines:

- The service provider may not install wall insulation unless the wall area to be treated has been pre-inspected by Oncor. Failure to pre-inspect will result in a failure.
- The insulation applied must be R-13 or higher. Only exterior walls should be treated.
- There must be no preexisting insulation.
- If insulating under a drywall patch, you must report the correct dimensions of the patch and the correct wall area (square footage) treated with insulation.
- The method of installation of the wall insulation must be reported (blown or other) to Oncor.

Ceiling Insulation

Insulation improvements to the ceiling area above a conditioned space are only eligible for residences with central air cooling and/or heating systems. Homes with window air conditioning and/or space heating are not eligible.

Existing ceiling insulation in participating homes, ranging from no insulation material (R-0) to the equivalent of about 6 inches of fiberglass batt insulation (R-22). The current average ceiling insulation level at participating homes is to be determined and documented by the insulation installer.

Degradation due to age and density of the existing insulation should be taken into account.

In the event that existing insulation is or has been removed during the measure implementation, the existing R-value for claiming savings shall be based upon the R-value of the existing insulation prior to removal.

A ceiling insulation level of R-38 is recommended throughout Texas as prescribed by the U.S. Department of Energy. Accordingly, deemed savings are provided for insulating to R-38. Adjustment factors are provided to allow contractors to estimate savings for installation of higher or lower levels of post-retrofit insulation: contractors should estimate post-retrofit R-value according to the average

insulation depth achieved across the area treated and the R-per-inch of the insulation material installed.

For all homes receiving ceiling insulation:

Service Provider should submit the following documentation:

- 1) Customer Agreement
- 2) Clear photo of the existing insulation level measurement for each measure reported. If reporting all three R-value ranges R5-R8 & R9-R14, and R15-R22 (3 photos are required) with identification card including the address, date taken, reported R-Value & existing type of insulation
- 3) Clear photo of the entire attic prior to adding new insulation (existing insulation must be R22 or less). If the entire attic cannot be captured in one photo, please take multiple photos that together represent the entire attic.
- 4) Clear photo of the new insulation measurement to identify the number of inches added (Required to insulate up to R38) with identification card of address and date taken.
- 5) Clear photo of the entire attic after the new insulation is installed (Required to insulate up to R38). If the entire attic cannot be captured in one photo, please take multiple photos that together represents the entire attic.
- 6) A photo of the condenser ID label
- 7) A picture of the furnace from a distance indicating no flue is present if not reporting gas furnace

Radiant Barrier

Radiant Barrier typically consist of a metallic foil material (usually aluminum) and are generally installed on the roof decking or beneath roof sheathing.

The radiant barrier must be compliant with the standards set by RIMA-I, including proper attic ventilation. A list of verified products is available on the RIMA-I website.

Sources:

<https://rimainternational.org/technical/testing/>

<https://www.reflectixinc.com/applications/diy/attic/>

Air Infiltration

Air infiltration causes air contaminants to enter the room. Air contaminants will affect the health of occupants. It also allows hot and cold air to enter. This affects the room temperature. When selecting air infiltration measure improvements, you must improve all areas. An example would be sealed plumbing penetrations. All plumbing penetrations must be sealed (i.e., kitchen, bathrooms, etc) and you must provide pre **and** post photos of each area improved which does includes interior and exterior walls.

If an area is not in need of improvement you must provide a photo **clearly** indicating no improvement was needed.

Window caulking – All windows must be caulked and you must provide pre **and** post photos of each window improved.

Window weather-stripping – All windows must be weather-stripped and you must provide pre **and** post photos of each window improved. The photo must include the entire area improved. Any dirt and/or debris must be **removed** before application.

The list is compiled of thirteen infiltration measures that includes “other”. A **minimum** of 4 measures must be completed for each submitted customer site.

Three of the items listed below **must be** included in the four measures you select to improve:

- Door weather-stripping
- Plumbing penetrations
- Window caulking
- Window weather-stripping

Diagnostic Testing for Combustion Equipment or Air Filtration Measures

Oncor requires service providers to perform both carbon monoxide (CO) and air infiltration testing to ensure the health and safety of host customers is not jeopardized by any air infiltration energy efficiency measure installed as part of the HEE SOP.

Air infiltration reduction measures are only eligible for program incentives when submitted in conjunction with passing CO and air infiltration test results. If the unit fails to meet either the CO or the ventilation rate standard, the service provider shall not install any measure that would or could reduce air infiltration in the unit. These measures include, but are not limited to, caulking, weather stripping and duct sealing/repair.

For residences with combustion equipment (e.g., natural gas or propane), service providers must not install any measure or measures that would result in ambient air CO levels exceeding 9 parts per million (ppm) at project completion. Service providers will be required to measure and record pre- and post-installation CO readings at each installation site.

If the residence meets the HEE SOP CO standard and the service provider proposes to install air infiltration measures, the service provider must then conduct a blower door air infiltration test and record the pre-installation ventilation rate at 50 Pa in normal conditions. The minimum pre-installation ventilation rate for households treated with infiltration measures shall not be less than the standards set forth in the table below.

Minimum Final Air Ventilation Rate*

| SHIELDING | SINGLE-STORY | TWO-STORY | 3 OR MORE STORIES |
|---------------|--------------|-----------|-------------------|
| Well-Shielded | 1.18 | 0.95 | 0.83 |
| Normal | 0.99 | 0.79 | 0.69 |
| Exposed | 0.89 | 0.71 | 0.62 |

* Measured in CFM at 50 Pa per square foot

- Well-shielded is defined as urban areas with high buildings or sheltered areas, or buildings surrounded by trees, beamed earth or higher terrain.
- Normal shielding is defined as buildings in a residential neighborhood or subdivision setting with yard space between buildings (80%-90% of houses fall in this category).
- Exposed shielding is defined as an open setting with few surroundings, buildings or trees.

Minimum final air exchange rates are listed in the air infiltration guidelines found in the Texas TRM, Version 12.0. To qualify for an incentive, a minimum air leakage reduction of 10% of the pre-installation reading is required.

For additional details on this requirement, including minimum ventilation rates and testing equipment specifications, please visit EEPM.

Carbon Monoxide Test Equipment Specifications

- ***CO testing is to be performed with the Bacharach Monoxor II sensor or an equivalent Texas Department of Housing and Community Affairs approved testing device. CO detectors are not suitable testing devices and are not to be used. The sensing device must have a range from 0-2,000 ppm; accuracy +/- 5% of readout; and readout resolution = 1 ppm adjustable to 0.***

11 ELIGIBLE MEASURES AND INSTALLATION CRITERIA

HOME ENERGY EFFICIENCY STANDARD OFFER PROGRAM ELIGIBLE MEASURES AND INSTALLATION CRITERIA

CONTROL ENVELOPE ENERGY WASTE

| MEASURE | MATERIAL | MINIMUM CRITERIA FOR INSTALLATION |
|--------------------------|--|--|
| Infiltration | <p>Acrylic latex plus silicone Sealing compounds</p> <p>Caulk</p> <p>Polyurethane expanding foam</p> <p>Elastomeric sealant (Including polysulfide, polyurethane and silicone caulk)</p> <p>Fiber-backed mastic compound</p> | <ul style="list-style-type: none"> • Conforms to ASTM C834-95 with silicone • Conforms to ASTM C920-98 • Conforms to ASTM C920-98 • All visible caulk should be clear • A minimum 10-year life expectancy for ALL materials used <p>Foam tape and/or adhesive-backed polyethylene insulation must be secured with staples, nails or screws in order to qualify.</p> <p>(Foam tape and/or adhesive-backed polyethylene insulation combined with a sealing compound is NOT an approved material.)</p> |
| Weather Stripping | <p>Foam tape</p> <p>Rigid gaskets</p> | <ul style="list-style-type: none"> • Must be closed cell • Must be UV resistant • Must be adjustable and attached permanently • Gaskets must be attached to an aluminum carrier • A minimum 10-year life expectancy for ALL materials used <p>Foam tape and/or adhesive-backed polyethylene insulation must be secured with staples, nails or screws in order to qualify.</p> |

CONTROL INTERIOR ENERGY USAGE

| MEASURE | MATERIAL | MINIMUM CRITERIA FOR INSTALLATION |
|-------------------|--|---|
| Insulation | <p>Mineral fiber (blanket)</p> <p>Mineral fiber (loose fill)</p> <p>Cellulose</p> <p>Vermiculite (loose fill)</p> <p>Perlite (loose fill)</p> <p>R-value</p> | <ul style="list-style-type: none"> • Conforms to ASTM C665-98 • Conforms to ASTM C764-98 • Conforms to ASTM C739-97 • Conforms to ASTM C1149-97 • Conforms to ASTM C516-80 • Conforms to ASTM C549-81 • Existing ceiling insulation of R-22 is in compliance with the program • Added ceiling insulation above R-22 must be installed to R-38 in compliance with deemed savings standards |

| | | |
|----------------------------|-----------------------|---|
| Insulating R-Values | Walls | <ul style="list-style-type: none"> • Install to R-13 • Install to R-19 • Install to R-15 |
| | Knee wall | |
| | Floor (pier and beam) | |

CONTROL HVAC EFFICIENCY

| MEASURE | MATERIAL | MINIMUM CRITERIA FOR INSTALLATION |
|--|---------------------|---|
| HVAC | Packaged units | <ul style="list-style-type: none"> • Must comply with deemed savings and installation standards • Must comply with deemed savings and installation standards • 11.6 EER or greater required for all new systems • 6.8 HSPF or greater • Units must have a minimum cooling capacity of 1.5 tons or less than 65,000 Btu/hour (5.4 tons) to be eligible • "Running" requires a picture of the condenser label the customer acknowledging the old system was working at the time it was replaced • New Construction - Only 18+ SEER systems are eligible |
| | Split system | |
| | Mini Split | |
| | DC Invertor | |
| DIAGNOSTIC MEASURE | MATERIAL | MINIMUM CRITERIA |
| Health and Safety | CO testing device | <ul style="list-style-type: none"> • Test every housing unit that has combustion equipment • Ambient air CO levels must not exceed 9 ppm at project completion |
| Air Infiltration/Indoor Air Quality | Blower door testing | <p>There is an upper limit of 5.2 CFM50 per square foot of house floor area for the pre-retrofit infiltration rate on eligible projects. For homes where the pre-retrofit leakage exceeds this limit, savings will be awarded against the leakage cap. Utilities may require certification or competency testing of personnel who will perform the blower door tests.</p> <p>Air leakage should be assessed through testing following BPI standards. In some limited cases where testing is not possible or unsafe (e.g., due to potential presence of asbestos), visual assessment may be satisfactory. Blower door air pressure measurements must also be used to ensure posttreatment air infiltration rates are not less than those set forth by the standard in Equation 68, based on floor area and number of bedrooms. These calculated minimum CFM50 values assume two occupants for a one-bedroom dwelling unit and an additional person for each additional bedroom. Where higher occupant densities are known, the minimum rate shall be increased by 7.5 CFMnat for each additional person. A CFMnat value can be converted to CFM50 by multiplying by the appropriate N factor in the table below:</p> |

| | | $Min\ CFM50 = [0.03 \times AFloor + 7.5 \times OCC] \times N$ | | | | | | | | | | | | | | | | |
|---------------|---------|---|------------|---------|---------|------------|---------------|------|------|------|--------|------|------|------|---------|------|------|------|
| | | <p style="text-align: center;">Minimum Final Air Ventilation Rate*</p> <table border="1"> <thead> <tr> <th>Shielding</th> <th>1 Story</th> <th>2 Story</th> <th>3+ Stories</th> </tr> </thead> <tbody> <tr> <td>Well-shielded</td> <td>22.2</td> <td>17.8</td> <td>15.5</td> </tr> <tr> <td>Normal</td> <td>18.5</td> <td>14.8</td> <td>13.0</td> </tr> <tr> <td>Exposed</td> <td>16.7</td> <td>13.3</td> <td>11.7</td> </tr> </tbody> </table> | Shielding | 1 Story | 2 Story | 3+ Stories | Well-shielded | 22.2 | 17.8 | 15.5 | Normal | 18.5 | 14.8 | 13.0 | Exposed | 16.7 | 13.3 | 11.7 |
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