

PROBATIONARY POLICIES & PROCEDURES

EPE SMALL COMMERCIAL SOLUTIONS PROGRAM

To preserve Program integrity, CLEAResult collaborates with Participating Contractors of the El Paso Electric Small Commercial Solutions Programs to ensure accurate Program information is shared with customers, complete and accurate project information is submitted, and the contractor represents the Program responsibly on behalf of El Paso Electric.

These energy efficiency programs must adhere to the guidelines imposed by the Public Utility Commission of Texas. Discrepancies will be noted and monitored for all projects submitted by Participating Contractors. Participating Contractors who fail to meet Program guidelines may face probation, suspension, or termination from the Program. Program guidelines are explained in the Small Commercial Solutions Program Manual and within the energy conservation measure Steps to Success Forms.

This document identifies the data required from Participating Contractors to receive monetary incentives from installed and qualified Energy Conservation Measure(s) and describes actions that will be taken when a Participating Contractor fails to meet Program requirements. The three stages of probationary action associated with the quality control/quality assurance (QA/QC) process are Probation, Suspension, and Termination. The individual who signed the Letter of Intent (LOI) to enroll the Participating Contractor into the Program is ultimately responsible for resolving any QA/QC issues.

Examples of Problems in Submitted Data

While it is impossible to note every type of potential problem, the following are common examples of submitted data discrepancies, on a per-measure basis, that may result in probationary action. Participants are encouraged to contact the Program's CLEAResult Consultant or El Paso Electric Coordinator with any questions or submittal assistance that may be needed.

Air Conditioning

- Incorrect A/C model listed
- Incorrect tonnage or efficiency rating of new A/C unit
- Failure to install matching evaporator coil to condensing unit
- Missing, invalid or unclear photographs
- Missing, incomplete or incorrect **Air Conditioner Incentive Form** or **Customer Invoice**
- Failure to confirm customer eligibility

Lighting

- Incorrect identification of building type
- Incorrect identification of cooling type
- Incorrect confirmation of customer eligibility
- Incorrect identification of existing and new lighting systems
- Missing, incomplete or incorrect **version of Lighting Survey Form (LSF)**
- Missing, incomplete or incorrect **Customer Acknowledgement Form** or **Customer Invoice**

1. Probation

Participating Contractors may be placed on probation if they do not comply with program rules. The duration and specific nature of the probationary period will be determined on a case by case basis and will be at the discretion of the Program's CLEAResult Consultant and El Paso Electric Coordinator.

Causes for Immediate Probation:

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- Failure to contact CLEAResult to schedule inspection of first three (3) projects upon entering the program.
- Failure to contact CLEAResult to schedule inspection.
- Misrepresentation of the contractor's relationship with the Program or El Paso Electric, directly or through erroneous or misleading advertising, marketing or other promotion-related materials.
- Three (3) justified and verified customer complaints within a 12-month period.
- Failure to provide customer with an "All Bills Paid Affidavit" (when using a subcontractor).

Causes for Potential Probation: Participating Contractors who have discrepancies on 25% or more projects submitted throughout the program year may be placed on Probation. Examples of discrepancies include, but are not limited to:

- Inconsistencies between data submitted and information gathered by Program inspectors.
- Problems identified in data submitted for incentive payment.
- Inability to consistently and accurately perform required tests.
- Disregard for program requirements.

Should any of the above discrepancies be identified, the Participating Contractor will be notified by the CLEAResult Program Consultant and will be required to resolve the issues. The Participating Contractor will be offered guidance on prospective solutions and future expectations. If these issues are not resolved over the course of the next ten projects submitted, the Participating Contractor will be officially placed on probation.

Release from Probation:

If the Participating Contractor resolves all outstanding issues, submits error-free project documentation over the next 10 projects, and sustains no major complaints, the Participating Contractor will be released from probation.

2. Suspension

Should a Participating Contractor's submitted projects continue to have discrepancies, or if issues remain unresolved while on Probation, the Participating Contractor will serve a 30-day suspension from the Program. No additional projects will be accepted for payment during the suspension period.

Causes for Suspension:

- Continued inconsistencies between data submitted and information gathered by inspector(s).
- Continued problems identified in data submitted for incentive payment.
- Failure to resolve customer complaints within 30 days.
- Inability to consistently and accurately perform required tests.
- On probation for longer than three (3) months.
- On probation twice in one year.
- Failure to maintain business requirements (such as proof of insurance, records of certification, etc.)
- Failure to coordinate with CLEAResult to conduct inspections.
- Disregard for program requirements.

Should any of the above issues take place, the CLEAResult Program Consultant will contact the Participating Contractor to notify them of the discrepancy(ies) and to provide any guidance that may be needed to assist them in resolving any outstanding issues. During the 30-day suspension period, the Participating Contractor will be required to submit a written plan of how they intend to remedy the probationary offenses and to provide documentation to show how the Program discrepancies were addressed or corrected.

Release from Suspension:

The Participating Contractor will be released from suspension after the following have taken place:

- Written action plan to address identified issues is submitted to the CLEAResult Program Consultant.
- Outstanding customer valid complaints are addressed and resolved.

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- Faulty data for incentive payment(s) has been corrected.
- The 30-day suspension period has been served.

3. Termination

Should a Participating Contractor's submitted projects continue to have discrepancies, or if issues remain unresolved while on Suspension, the Participating Contractor may be terminated from the program.

Causes for Termination:

- Persistent inconsistencies between data submitted and information gathered by inspector.
- Persistent problems identified in data submitted for incentive payment.
- Unable or unwilling to address and remedy valid customer complaints.
- More than two (2) suspensions in one year.
- Non-Participation in the program.

Reinstatement Requirements:

The Participating Contractor can request participation back into the Program after a period of six (6) months from date of termination. Reinstatement determination will be at the discretion of El Paso Electric and CLEARResult.

4. Acknowledgement

I, _____(name) in representation of _____(company) hereby confirm that I have read and received the 'The El Paso Electric Small Commercial Solutions Programs: Probationary Policies and Procedures' and understand that it describes the probationary policies and procedures that must be followed.

(Signature-Contractor)

(Title)

(Date)

(Signature-CLEARResult)

(Title)

(Date)

(Signature-El Paso Electric)

(Title)

(Date)